

# DE MONETAIRE REVOLUTIE

HET EXCELLENTE

MONETAIRE SYSTEEM

WILFRED BERENDSEN

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The Monetary Revolution

The Excellent Monetary System

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# **The monetary revolution**

## **Introduction**

In recent years I have spent much, much time diagnosing the problem of "debt crisis." This has led-also several years back-to the most optimal solution to this problem, being my Excellent Monetary System. Over the following years, I have gained a deeper understanding of what is really going on, but I have also been able to improve the content of my Excellent Monetary System. Mainly also the monetary policy which is part of my Excellent Monetary System. This monetary policy - which is at the government level, organizational level and also individual/family level - is a very essential part of my Excellent Monetary System.

In another section of this book, I describe in more detail the parts and aspects that make up my Excellent Monetary System. My monetary system will bring about a monetary revolution, and will become the new monetary system for the world. In principle, I wanted to call this book "Beyond the Crisis." The past refers not only to the end of the crisis but also to the fact that both I personally (in my research and thinking) as well as those who are going to read this book, hopefully, have passed and must pass (as the English term of BEYOND) the crisis in order to gain insight into the solution and how it must be implemented and can further develop.

However, the "beyond the crisis" also refers to the fact that one must also go beyond the naming of the crisis to reach a complete and better understanding of what is really going on. Indeed, the crisis is not so much, or only to a small extent, a debt crisis. It is more and more fundamentally an income crisis that has been and is being caused by various developments in our society and economies. More on that later in this book. That income crisis is also a consequence of yet other underlying/broader causes, but it is the essential problem that some individuals and groups, as well as governments, are facing at this time. And as a result of that income crisis, more and more individuals, groups and also governments and organizations have had to borrow more and more. Which has led to a debt crisis as well. However, that debt crisis is only a small part of the many negative consequences of the income crisis. That debt crisis has come about because of and because of many other causes but especially also because of the great lack of money. This great lack of money is common in

our economy and society and has been a problem for a long time. That lack of money was already present, many years or even many decades before the debt crisis, and it already arose at the end of the last century or perhaps even earlier. And that lack of money can be seen in many aspects and characteristics and processes in our society today.

That I did not end up calling the book "the crisis over" has to do with the fact that that title already existed. But it is also in fact more about a monetary revolution. A monetary revolution that is necessary to make a few other transformations in our society possible and to set them in motion. In particular, I am talking about social, political and organizational transformations. In which the political and organizational transformations, in particular, must also include more social aspects.

Jacques Derrida is known, among other things, for his statement "Il n'y a pas de hors-texte" (Jacques Derrida, "Of grammatology," 158-159). In Dutch "there is nothing outside the text." Philosophy magazine described in a text about Derrida (1930-2004) on their website that this would not mean that "everything" would consist of words. But that Derrida meant nothing more by it than that even the observable world behaves like a text. Thus philosophy magazine.  
(<http://www.filosofie.nl/jacques-derrida.html> )

I myself, however, believe that Jacques Derrida meant something quite different by his statement. And that "Il n'y a pas de hors-texte" (Jacques Derrida, "Of grammatology," 158-159). refers to the notion or phenomenon that everything is already included in the text in 1 way or another, that indeed nothing exists outside the text. Or that something must first already be included in a text somewhere in order to exist or come into being. Text here is also thinking, both individually and collectively. My individual thinking but also the texts of others. And the interaction between thinking and society. In which that which is not yet there but can arise is also already present in the texts or the differences between them. Also that which is still missing in society, that which should be there but is not there yet, is often already included in the illogic of the texts in society and universes.

In the remainder of this book, I will take a closer look and name the underlying causes of the current crisis. I will also further explain my EMS, the new money system for the world. Also in relation to other proposals mentioned to solve the debt crisis. I hope to make it clear in this book why those other proposals are not practical and will not work. And why my solution will work. More explanation of the current money systems but also the relationship with the past and developments in the present time, explanation of the phenomenon of inflation and other issues discussed here in this book will hopefully contribute to that.

So the economic crisis is, in my view, much more of an income crisis than a debt crisis. This is because where debts are really problematic, there is also an income crisis. And if that income becomes (somewhat) higher, temporarily or otherwise, then the debts naturally become less problematic. Debts have always had a function in our economic society. A logical function that really belongs in the logic of the system and should not be removed from it. People have always been able to take on debt in the past and should also be able to do so in the future if necessary. The same applies to organizations and governments. However, there must always be a way to pay off these debts. Within our economic system, this is only possible if the income is high enough, that is, if the income is high enough to pay the expenses and also if there is enough left over to pay off any debts. And preferably also within a reasonable or desired period of time. In this book I also ask the question "how much is enough". I also discuss the income side as well as the debt side. I also describe why a debt jubilee is not a permanently good solution in the present time. And why permanent debt solution is required in certain cases. But I also explain in part how my EMS can and will contribute both to an immediate permanent debt solution and especially to increasing income and possibly reducing expenses.

In addition to the income crisis, or more as a result of, there are obviously many social crises at play. Those social crisis are also much more accommodated and supported and also prevented if and once my EMS is in place. My EMS is, as I will also name and explain further in this book, not so much a replacement of the current money system but more a complement to it. By which I mean that the current money system also really no longer exists if and once the EMS is introduced, but that many parts of the current money system and also many of the financial organizational structures that exist can simply continue to exist. However, the addition needed to transform the current monetary system to my

EMS can be added to the current monetary system within 1 day. If and when that happens the EMS is a reality.

This book will be published in 2016. In January 2015, I saw that foundation our money had started some kind of petition/signature campaign to allow creation of money from nothing without debt creation. I did not like this at all. All the more so because both David Graeber/ Occupy as well as all organizations affiliated with the International Movement For Monetary Reform were still arguing for complete replacement of fractional reserve banking for full reserve banking at least until 2014. Ad Broere who is now also promoting creation of money out of thin air was, as far as I know, still totally against this in 2014. He was against the creation of money out of nothing by banks, and as far as I know until 2014 has never advocated the creation of money out of nothing without debt. Should that be the case, we need to find out exactly when he wrote and published it. The same goes for the International Movement For Monetary Reform groups, of which Stichting Ons Geld is one. But with these groups it is fairly easy to ascertain that they were strongly opposed to fractional reserve banking and wanted to switch to full reserve banking. Possibly together with the reintroduction of a link between money and gold. So reintroduction of a gold standard.

Even now anno 2016, all groups affiliated with the International Movement For Monetary Reform still want to move to Full Reserve Banking. Their current intention to create money out of nothing is intended in the context of their higher purpose to thereby enable a situation of Full Reserve Banking in practice. Therefore, that idea and concept of Full Reserve Banking (FRB) goes along with a concept of Debt Free Money. However, this concept and definition of Debt Free Money (DFM) is a very specific form of debt free money that must be understood in relation to Full Reserve Banking. More on that in the rest of my book.

To that extent it is important to carefully check the sources and data, but also the content of texts/arguments and compare them with my work and also data of creation. Because with that it is possible to check/prove WHO first came up with the idea of creating money out of nothing without debts. But also in what context. And for what purpose. So whether it is mainly intended to solve debts, whether it is intended to provide private individuals with money without debt and/or interest, whether government spending is to be paid with that money or not, whether taxes are to be abolished with that money or not, whether unlimited money



should be created or not and if not who is going to regulate how much and how it is going to be organized, whether there should be a basic income or not, whether money from nothing should be used to create income for individuals and organizations or not, etc. Also very important is whether the groups proclaiming things understand enough about inflation since that is the main counter-argument against extra money in the economy. And, last but not least, it is obviously very important whether the proposal proposing creation of money out of thin air is aimed at Full Reserve Banking and thus a complete disappearance of Fractional Reserve Banking and thus a complete disappearance of creation of debt by private banks and a complete disappearance of creation of money out of thin air by private banks. Or that, as in my EMS proposal and reality, private banks may still create debt and also continue to create money out of thin air.

Then it is very important, of course, HOW changes in the monetary system are introduced and WHICH monetary policy is followed in the process. All matters that I myself, from understanding, have understood and properly worked out for quite some time. Not only in my 2011 book on amazon ("oppressed by money and our insane financial system- a WAKE UP call for citizens, organizations, governments and society at large", W.T.M. Berendsen, 2011). but also in earlier work of mine that I have published or recorded in various places. Also of interest is my paper on money which I wrote for the IFSAM World conference on management 2010 in Paris (A phronesis antenarrative about the understanding of money and usage of money in more phronetic ways, W.T.M. Berendsen, IFSAM world conference on management, 2010). As also the work I wanted to have published in Journal of Political Economy (Time for a transformation towards my Excellent Monetary Society, W.T.M. Berendsen, 2012). In that work/paper I had also explained and explained my EMS quite a bit, but unfortunately JPE did not publish it then. That was in 2012, but JPE should probably still have it digitally in its database as well. Or stored somewhere. Since I had submitted the paper digitally at the time.

In 2 important sections of this book I explain the difference between my EMS and the proposals of Our Money as well as other proposals such as Debt Free Money. Where I also explain that the concept of Debt Free Money is a very specific form and capacity of debt free money, which in fact so far is only really applicable and intended for the proposal of Full Reserve Banking. Therefore, it is also clearer when Debt Free Money (DFM) is referred to as Debt Free Money-Full Reserve Banking or shorter as DFM-FRB or DFMFRB.

The EMS created by me consists of a unique combination of the current monetary system and the current situation with my innovation of and for the money system, in which monetary policy ( the application possibilities of my innovation) in particular is also important and an essential part of the new EMS. My EMS comes about through introduction and thus application of my innovation for the money system. Among other things, this innovation of the money system has already been described in my Ebook already published on Amazon/Kindle in the year 2011. With the title " Oppressed by money and our insane financial system- a WAKE UP call for citizens, organizations, governments and society at large" ( W.T.M. Berendsen, 2011).

# **1. How my innovation for the money system will solve the debt crisis and begin to radically change and sustain our society.**

This book is a part of my arguments to radically improve the financial and economic and monetary system and policies we are currently working with globally.

This argument is a consequence and result of my years of research and work. Which focuses on much more than just the debt crisis. There is a book of mine on amazon/ kindle since 2011 ("oppressed by money and our insane financial system- a WAKE UP call for citizens, organizations, governments and society at large", W.T.M. Berendsen, 2011). That book contains the solution to the debt crisis. However, this solution, my innovation for the money system-resulting in an Excellent Monetary System (EMS)-is much more than that. The innovation involves not only the what but also the how. Although the possibilities for how are already partially contained in the innovation itself. Indeed, this innovation is necessary to fundamentally change and improve our current financial and monetary system.

That fundamental change in our monetary system is necessary, and should have taken place far in the past. That it did not happen is the reason we are in trouble now (anno 2016). Those problems are also much broader and more far-reaching than most people understand. People realize that it is bad, but not how bad. Most people also do not yet realize that in politics there is far too little awareness and understanding of what is going on. But apart from that, the situation at the moment is such that with the current financial system there is only one way to go. And that is a comprehensive and drastic deterioration. Of our economy, our society, our lives. And our future. That future is being completely ruined for more and more individuals because politicians and economists do not realize enough that the cause is too little money in the economy and, in addition, our prehistoric current monetary system.

In which I do not want to lump all economists together. There are some great and good economists. Only, even those economists do not yet fully realize and understand what is going on, and what the solution is to get out of this damaging and negative spiral.

That solution, as I mentioned, is in my book on amazon/kindle ("oppressed by money and our insane financial system- a WAKE UP call for citizens, organizations, governments and society at large" , W.T.M. Berendsen, 2011). This is an ebook, and is written in English. Since I can express myself better in Dutch anyway, this book is written in Dutch. However, the fact is that I have already written a lot to support my argument for my innovation for the money system. Some of what I have written is in English. I may well add some of this writing to this book. As can be seen now, not in the first version I published, but in either a special edition or in the English translation of this book. In any case, I am neither going to translate the English text nor improve it or anything like that. Time is short, my innovation must be understood and implemented as soon as possible. This is really a battle against time. So I am going to write this book as soon as I can and then see it published. And I hope that everyone who reads this book and likes the content will pass it on to as many others as possible. This book should be read by as many people as possible. And the innovation should be introduced by politicians as soon as possible.

Main thing for the content of this book is that the text is understandable enough, and the general understanding of the crisis and what is needed to solve it is increased. But above all, it is of utmost importance that my innovation for the money system is at least more and more communicated in society. And preferably also within politics. Where my innovation must be understood, and implemented. That is the most important thing ever. Because my innovation is the most far-reaching ever, and it will have to be implemented. It MUST be implemented. It will solve the crisis, but in addition it will dramatically improve the lives of very many people. It involves a win-win situation for truly ANYONE on this earth.

With this book, I hope to achieve that my innovation will finally be truly understood and implemented. In the end, that is the only goal. The innovation itself can also be told in a few lines, which the reader will see in this book. And its implementation also really takes no more than a few minutes. A few minutes. In

the end, that's all it will take to solve our global debt crisis. Completely. For the whole world. Only, getting there-implementing the relatively simple action required-requires FAR more time. And MANY more understanding, wisdom, of what is involved. And how this is solvable.

In this book, I will try to point out in various ways what is wrong with the current financial and monetary system. What its limitations are, and the reasons why it harms our society so much in the present time. My innovation for the monetary system is about a possibility, but the best possibility for our society. It is a transformation of our society that is absolutely necessary and will lead to unprecedented possibilities in every imaginable field. Partly because with my innovation also science can and will be dramatically improved. In all possible fields.

That chance that science will improve dramatically through my innovation for the money system is related to the sharp increase in resources that can and will become available from then on to dramatically improve both education and research. Money will no longer be a constraint on fundamentally good research from then on. Projects of such massive scale as the current CERN project can then much more take place. And individual scientists will be able to obtain the money they need for their research. The starting point will have to be that the research they are going to do has a reasonable and sufficient chance of actually being useful to society. This criterion is at all times an important one for science and scientist. In current times because of the lack of money and importance of the most optimal outcome. Money for irrelevant research should not be spent on that research but should go to more important research such as important research on cancer or other diseases. Or basic and practical economic and or social research. For example.

My innovation is not only to solve the crisis. But also as a key to radically reform and improve our society. It is not only meant to be the key, but it IS the key to achieving it. Because my innovation is based on the most comprehensive and broad and fundamental understanding about economics, economic crisis and change management. My innovation for the money system makes today's relatively closed money system much more open and more flexible. Among other things, it enables the following :

- Solving the economic (income) crisis. Once my innovation is properly implemented, the economic crisis is truly permanently solved and a thing of the past.

- Abolishing some or all taxes. Not temporarily, but for a longer period of time or even permanently if desired. Taxes that can be abolished in this way are income taxes, sales taxes, excise taxes on gasoline. But generally just any applicable taxes or other charges that provide revenue for the government. After all, the government doesn't actually need that revenue anymore - or to a much lesser extent - once one uses my innovation for the money system. Not all taxes will actually have to be abolished because that will not be desirable in all cases, but financially the possibility is there within the Excellent Monetary System.

- Strong improvement of the social system. Sickness benefits, Unemployment benefits, the health care system and other social services can and will be greatly improved through my innovation. Much more money will be available, and therefore will be available, for these types of services. But also - preferably in cooperation with intellectuals and science - the social systems and facilities can and will be expanded or transformed to content and composition that better suits the future society. IF this is needed or desirable for a sustainable economy and society. All sorts of new and innovative amenities come to mind here.

- Decouple income and labor to a much greater extent than it is now. Unemployment will then no longer be a problem, at least in financial terms. It will make further increases in efficiency and automation even more possible, and these improvements will really be an improvement and not a deterioration, in part because they will be less problematic for society. Also, individuals in society will have more free time where desired.

- Strong improvement of science through the availability of more resources. Financially, but also organizationally.

## **2. The real cause of the global economic crisis**

At the time of writing this part of this book, I and everyone else are at the end of the year 2012. By the time YOU read this it will, unfortunately, be 2013 or even years after. In recent years, the years leading up to 2012, the entire world has had to deal with the facts and consequences of a financial crisis. In which it was and is about a financial situation detrimental to almost everyone that has been named and explained in various ways. Around the year 2008, there was still the label financial crisis. Which is still there today, but more specifically talks about the debt crisis. A general financial crisis resulting in excessive debts of parties. Currently, the year 2012, at least from the government side, attention is mainly paid to the debts of the government itself. While less attention is paid to solving private or individual debts. In the Netherlands, but also in other countries, such a monetary policy is even being pursued that is pushing for increased burdens on residents and thus a general deterioration of their financial situation. A continuation of the current monetary strategy of the EU and EU countries will lead to a worsening of the situation for residents and companies, and thus the economy as a whole.

I will return to the reasons for the worsening situation later in this book. Just as I will further explain the solution I propose. Why it is the solution to the crisis, but also why it is the solution to radically improve our society.

This part of the book was and is more about naming the real cause of the crisis- or the phenomenon in today's society referred to as such. Indeed, this one is not the generally accepted reason for the debt crisis.

The debt crisis of the present time (around the year 2012) is seen as resulting from the financial crisis that began around the year 2008. At least, in simple terms, that is perhaps an oversimplified and incomplete version of what is fairly commonly understood and named with respect to financial and debt crisis. The debt crisis is generally seen as resulting from or being a consequence of the

financial crisis. And that crisis, the financial crisis, is widely regarded as a rather sudden crisis that began in the year 2008.

As for the generally accepted cause of the crisis-which is NOT the actual cause of the crisis-ever since and especially at the beginning of the financial crisis (Around the year 2008), the policy of banks was referred to as the cause of the financial crisis,.In that version of possible explanation of the cause of the financial crisis, the crisis would have started in America and the cause would be the provision of too high mortgages by banks in America. And generally providing financial products too easily by banks or even deliberately providing financial products with too high risks for individuals. And as a result, mainly individuals would have gotten into trouble and the financial crisis was a fact. That widely accepted and named cause of the financial crisis is pretty much also seen as the cause of the debt crisis. And this debt crisis is seen as stemming from the financial crisis.

With this named and widely accepted cause of the financial and debt crisis, I absolutely disagree. Because it is "simply" NOT the cause of the financial and economic crisis. Banks may indeed have marketed products with too much risk. Or provided mortgages that were problematic. Invested riskily. And they will continue to do so now and in the future. However, this is not the underlying and real cause that leads to financial problems and a financial and economic as well as debt crisis. In fact, the underlying cause is an entirely different one. And affects our whole life. Not only since the financial crisis, but for a long time before. And it will, even if my innovation is introduced, affect the lives of all of us adversely for a long time to come.... But at least with the introduction of my EMS, much of that damage will not be or become nearly as problematic as it will be without the introduction of my Excellent Monetary System.

The real cause of the debt crisis lies in the fact that our financial system is incomplete - complete. As a result, our financial system also no longer fits the current times. And also it does. In fact, much of the current financial organization and rules of the financial system can remain. However, my innovation is absolutely necessary. It is the only way to permanently solve current problems. In fact, my innovation complements the current financial and monetary money system. That complement is desperately needed. And really should have been introduced a few decades ago. I hope this will become clear to the readers of this



book and as soon as possible within politics and the like. So that my innovation will be introduced and thus make our economy and financial and monetary realities more real and livable again. And while many of the current financial organization and rules of the financial system can or will continue to exist even with my Excellent Monetary System, many aspects will (can) transform to something much more sustainable.

That our current financial system is not complete and does not fit with today's society and development in society is evident from the problems that exist now and are related to finance and money. However, some of these problems have been there for some time and are not so much referred to as financial crises. Although they do affect it, and are made worse by the financial crisis. I am talking about debt in general (debt that was there before there was a financial crisis) and all kinds of problems that stem from financial problems.

What is fascinating to grasp and mention now is the fact that problems in this case also tend to be problems because they are named and seen as such. But also because agencies and parties dealing with them do not find or create innovative solutions to ensure that the phenomena designated as a problem are much less of a problem or no longer a problem at all.

Public debt, for example, was not a problem in the past because it was not seen as such. That it is now is partly because the debts were indeed or have reached unacceptable levels. But even this unacceptability is something that governments or we generally see as such. Whether it is actually so can be argued. When my innovation and a full understanding of economics and money are considered, even the current level of government debt is not really a problem. But more of a needed phenomenon for the economy and our lives to still function at current levels. Rather than a much worse situation.

Indeed, debts-whether private or public-are incurred in order to finance that which we actually want or need. And all that we finance, pay for. Is actually to a greater or lesser extent an enrichment of our lives. Although it is of course true that much of what we buy or use turns out to be unnecessary, or that this money could be better used elsewhere. However, even in that case the money spent in

this way keeps our economies going, and these investments also have their uses. In various ways.

It is the same with mortgages. The mortgages that banks provide are needed or wanted at the time. And yes, some of those mortgages were and probably are too high. However, this is also largely caused by other developments in our society. Such as too slight an increase in gross incomes and net incomes of mainly lower incomes. Given the increase in labor productivity, but also improvements and changes in management and our society in general, the incomes of mainly the lower income groups should have increased much more in the past decades than they did. Currently, with the debt crisis also partly to blame, some if not all lower incomes are actually declining. And I'm talking about both income per hour as well as the number of hours worked and thus total gross income. In any case, this is the situation as it is now developing in the Netherlands.

The politics of companies, staffing organizations and also government are increasingly leading to a deterioration of the financial situation of workers and residents. Companies are trying to buy in for less and less money. Resulting in "better" contracts from employment agencies. Who then then realize the cost savings they want to make themselves at least in part at the expense of the workers in the staffing industry. But more and more, governments can also do something about it. By penalizing their own residents through lower benefits and higher taxes. An example is the increased VAT rates in the Netherlands that come on top of higher gasoline prices and thus higher government revenues. Residents are increasingly paying for the increased costs of governments, while many of those residents are already struggling too hard. Not by their own fault or actions or politics, but by those of organizations and governments. Mainly by government. And also the wrong advice from mainstream economists and the wrong and even harmful understanding of economics and money that follows from that. The current monetary policy of EU countries and also for example the Netherlands. Is downright harmful for both the inhabitants of the EU and NL, as well as organizations. But also for the government itself. One does not only destroy one's own population and organizations, but also the government and society as a whole. With the content and character of the current monetary policy.

There is indeed a crisis right now. But that crisis could be a lot better if the government had better monetary policy. Also, companies that have the financial room to do so could and should be more considerate of their employees and customers who are less fortunate. If bills are still not paid, there will undoubtedly be a lack of money behind it.

Almost all companies in the Netherlands increasingly require payment within 14 days, which is very short. Especially when bills are not paid, one could actually extend the term a bit or choose creative or innovative ways of payment that would help the customer in question. Instead of automatically sending reminders and thinking purely and simply of the importance of payment even if it is too much at the expense of the customer.

But beyond that, a real solution to the economic crisis that is permanent is really needed and required. At the moment, governments are sitting around putting out more fires and even making the situation worse than it already is. Partly also because they simply do not yet know or have a good solution to the debt crisis. While that solution is already there, namely my solution. However, to be able to understand it, one must of course take note of it. And indeed understand what my solution is about and what it will mean for society. We are now in a very interesting time. A time of transformation. In which our money system will also have to be adapted to the requirements of the present time, but also those of the future. At the moment we are all dealing with a money system that is prehistoric, and moreover does not fit the present time. Moreover, it is incomplete and leads to many problems. The financial crisis does not exist because of the banks, but because of incompleteness of our money system. If and as soon as this is solved, through the application of my innovation for the money system, the crisis will be immediately and permanently past. But, and this is equally important, many problems that were there before the debt crisis and are there now (and often to a greater extent than before the crisis) will also be solved immediately. Think of problems related to financial problems in connection with unemployment, health, old age and the like. But also all kinds of problems related to or caused by lack of money can then be greatly reduced.

However, government and corporate politics are founded on -resultant of- the current financial and monetary system. The rules of our money system and resulting understanding of what money is and what its possibilities are. Those

possibilities are incompletely understood. Because of an incomplete understanding of economics and money by economists and just about everyone else. My understanding is complete enough, though. And much broader. I have a background in change management and social sciences and am a specialist on money and economics and economic crisis. Mainly also in the field of the latter. My understanding is to some extent and in some areas better and more specific than that of many of the better economists of both this time and the past. And as far as the financial and economic crisis is concerned, that is absolutely the case. My solution is the only correct and also most excellent one.

Some of the rules of our money system can be changed. And our money system needs an extension-completion. That addition is my innovation for the money system. It completes the current money system. And more than that. Because it also makes it possible to really improve our society in a sustainable and long-term way. In many areas. Science can be greatly improved by it, and science is ultimately the source of many improvements. And will only become more so in the future. Not only through my innovation of - for - the money system, which will undoubtedly be introduced in coming years. But also through other work by both me and other intellectuals and academics. Another innovation or development of myself that will no doubt really start to have a lot of influence in further improvements in our society is my meta-semiotics. Meta-semiotics or meta-semeiotics was developed by me. It is based on semiotics of Charles Sanders Peirce, but also on much more. And it is more excellent than any metaphysics or any philosophy or perspective. I won't go into it more extensively here, but wanted to mention it in this book. Especially because my meta semiotics is really very important for the future. It involves, among other things, an entirely new foundation for science, sense making and practice. Which will lead to profound improvements in science and therefore society. It concerns unification of science, sense making and practice. And does not concern theory because in meta-semeiotics there is no more theory. Because the differences between science and practice completely blur, are no longer an issue. They don't exist in metasemiotics. At least not in the way they exist now. When I say that differences between science and practice do not exist, I mean that metasemiotic science and its outcomes are directly relevant and applicable to practice. Because they are based on that and directly applicable to it.

But coming back to the rules. They can be changed. In fact, most of the rules of our money system can simply remain in their current form. Creation of debt is not

a problem, quite the contrary. It is necessary in our current financial system. It is just that in addition to that creation of debt, there must also be a way to truly and permanently get rid of that debt if necessary. As in the current time and situation. Government debts are really a big problem now, partly because they are but also partly because they are seen and treated as such. Problems are there to be solved, and thus to be gotten rid of. The debts of governments are a problem, so governments must get rid of them. So the debts must be eliminated, disappear. That can only happen if they are repaid. And that requires additional money. Which is not there in the present situation and with the present money system, but will become really readily available as soon as my innovation for the money system is introduced.

Debt repayment through payment by residents of the country or workers or businesses is not an option or a long-term solution. Because also residents of most countries, especially the lower income ones, were and are underfunded anyway. This was true even before the crisis started (which was also partly what caused the crisis and is only getting worse in current times) and is completely the case now in current times. Taking on more debt to pay off debt is also not an option at all.

The only really good and lasting option and solution to partially resolve the debts of governments and also the debts of individuals. Is to repay or pay off debts without creating new debts. And without the inhabitants of the country or companies paying for it through taxation. Therefore, only one solution remains to pay off the debts. And that is through the creation of new money. Real additional money. Without debts. In the present time this is quite simple because most money is digital anyway. Consisting of bits and bytes in a computer system or network. Data. Information. And this information can be duplicated or created quite easily. If that is done by the right party and in the right network (the network of banks, the banking system) then with that and in that way the financial and economic crisis can be solved quite easily and simply. Permanently. But also in this way money can be created to pay for government spending. Without the need for government revenue.

Thus, after my innovation for the money system is introduced, taxes or income as income are not always needed to cover expenses. Income then consists of the creation of new money. That new money-or new information-then enters the

money system. By transferring the information to other accounts. At that point the information becomes real income for individuals or organizations. And becomes part of our money system. Or actually it already is when money is created in the way I describe in my first book on amazon/kindle ("oppressed by money and our insane financial system- a WAKE UP call for citizens, organizations, governments and society at large" , W.T.M. Berendsen, 2011), but also in this book.

Once my innovation for the money system is in place, the whole world finds itself in what I call the Excellent Monetary System (EMS). This EMS is my creation, and my innovation for the money system is an essential part of it. In fact, this innovation for the money system is the most fundamental and important part, because without my innovation, the money system is incomplete and therefore can never become excellent or lead to most excellent and great results. After introducing and applying my innovation for the money system, it is.

### **3. The illogic of our current financial system**

I want to talk a little more extensively here about illogics or derangements in or as a result of our current financial system.

A fairly common illogic and derangement of our current financial system, which is also very harmful, is the dominance and importance of money in our society. Social and financial capital are interdependent and influence each other to a large extent. However, the fact is that financial capital is becoming increasingly important in our society, to the detriment of social capital. At least, this is particularly the case in organizations and companies. Not so much in the rest of our society. But the fact is that social manners within companies also naturally affect our general well-being and behavior in the private sphere. But in companies, therefore, social capital is increasingly ignored and less important. Increase of social capital depends more and more purely on the attitude and commitment of individuals. But due to lack of time as well as stricter compliance with official rules and procedures within companies - and many other causes - social capital and wishes of employees are increasingly pushed into the background and ignored, while financial capital is considered more and more important. This is also often to the detriment of employees. By worsening incomes or by deterioration in the environment. Such as higher prices (for energy, gasoline, etcetera) but also by stricter rules of banks. In fact, all this is mainly a result of increasing scarcity - shortages - of money and finance. Due to which it becomes increasingly important to attach more importance to money and finance.

That social capital receives less and less attention in many companies leads to communication incompleteness. And social problems that result. I go, a little further into this book, a little more into the term "body without organs" (BwO) by Gilles Deleuze and Felix Guattari. This concept of BwO is mentioned and described in detail in their book "a thousand plateaus" ("A thousand plateaus : Capitalism and Schizophrenia", Gilles Deleuze & Felix Guattari, 1987). Here I also mention the division made in the book "a thousand plateaus" into different types of BwOs. When social capital is too little respected or too much ignored, either in organizations or in our society, it leads to what is called there the empty and/or cancerous BwO. An incomplete and therefore harmful social situation.

Within factories, we can then talk about the sick building syndrome. But the issue is not the building, but the people who work and live in it. A building, whether in the private sphere or within organizations, should be alive. It should be buzzing with positive energy and health. The same goes for society, by the way. But, that requires sufficient social and financial capital. A scarcity of financial capital, money, leads to problems but also to a lack of positive energy. Although many people still seem to have a lot of social energy despite the great lack of money in our society. So, many people are apparently still good at keeping up appearances that everything is just fine with them.

The fact is, however, that all sorts of organizational issues also affect deterioration in our overall financial situations. Think, for example, of moving production abroad. Which may be a good move for the companies themselves, but is generally not in the interest of the Netherlands and employees. And in this way it is also very disadvantageous for the companies themselves. Because that relocation of production abroad automatically also means less work for the Dutch and less income in the Netherlands. That also leads to less spending. The fact is that expenses are also income and in many cases "cancel each other out" as such. But in the case of production moving abroad, there are still expenditures (although lower) while these expenditures do not come back to the companies as income. They do, but abroad. Which ultimately worsens the situation for the Netherlands itself and thus inhabitants and companies. Not always in a social sense but certainly in a financial sense. By the way, I am talking about the current facts and developments within our current incomplete and harmful financial and monetary system. As soon as my innovation is applied the situation will change substantially, because then finance will simply become a lot less important and critical for our society as a whole and the citizens of the Netherlands and other countries.

Another organizational fact that makes the situation worse is the fact of "multiple player." By this I mean multiple activities that are increasingly carried out by different companies. But also, in the case of employees, more and more parties who have interests and power. For example, temporary workers may have to deal with multiple staffing agencies and companies. While those companies themselves also have to deal with multiple parties. Who are trying to cut costs. Which in turn is imposed on workers by trying to reduce costs with them as well. For example, a parent company abroad giving a branch office in another country a very strict budget. If then the managers of that branch do not even understand



that budgets are there to be exceeded, and try to cut back even more on those already (much too) low budgets, then this leads to downward spirals of ever stricter and smaller budgets and further cuts. Which ultimately only hurt both the companies involved as well as the economy as a whole.

All this creates not only a negative spiral but, more importantly, illogic in our society. Which ultimately leads to a growing deterioration of the economy and of the position and opportunities of individuals in our society.

But, there are many more illogical issues in our current financial and monetary system. One example is the fact that older workers generally have fewer opportunities in the labor market, while there are plenty of younger workers to work too. And yet older workers-also and especially out of self-interest and in order to have a reasonable to good life and income at all-must continue to work and even longer and longer because that is strongly encouraged and even forced from the government. So on the one hand there are the worse opportunities for older people and the not real need from an organizational perspective to really keep older people working longer. And on the other hand, there is the government that - from a financial point of view - just wants everyone to work longer. The government's financial perspective, however, is only seen in terms of saving costs for pensions and social security, while the increase in health care costs (which will undoubtedly be high) but also the costs of unemployment benefits for those who would otherwise be able to work are overlooked and ignored. So generally issues are viewed from the interests and perspectives of parties, while even there important issues and points are completely overlooked or ignored. Much of this is obvious to all of us, to a greater or lesser extent. Yet everyone goes along with it and thinks so narrowly. Because ultimately one is and must be focused on one's own income and interest. Not even so much because our financial system is set up that way, but more because of scarcity of money. And that scarcity of money is only increasing. We really need to get rid of that scarcity of money, the high and growing degree of dependence on money. Freedom is probably the greatest value in our society, but because of growing scarcity of money, we become and remain too dependent. That can and must change.

Another issue that is becoming increasingly important is the fact that an increase in employees is in fact not really necessary or desirable. Efficiency within

companies is constantly increasing and also better work processes and changes in our society mean that in fact fewer and fewer employees are needed to produce the same and even more. This means that in fact, from an organizational point of view and less from a financial point of view, it becomes less and less important to keep people employed. Unemployment is a major problem in today's age, especially from a financial point of view, while it is becoming less and less of a problem for companies. On the contrary, permanent workers in particular are increasingly less desirable due to the flexibilization of labor and also increasing efficiency. Also, for a more sustainable society and consuming, it would actually be good if less and perhaps much less is produced. This is also possible, because there is still plenty of consumption and production that is in fact unnecessary and can be eliminated. Especially if it does not even remain important for companies to continue producing in the numbers they do now, and if the financial future and money is and remains guaranteed at all times for really all inhabitants of a country whether they work or not. So also for the non-working people a basic income that is and remains more than enough to provide for the basic needs and simply to live a good life at all times without going into debt. This basic income should be provided under conditions. Also, of course, working must still retain benefits. And this form of basic income will and should be quite different from the useless proposal of unconditional basic income.

I would also like to point out that it is very important for those employees who do work to have security and continuity. Not only in terms of work but also in terms of housing and the like. But also the possibility of getting a mortgage depends very much on continuity in income and thus work. Since in the current situation income-an income that is sufficient and adequate for a good life-is still highly dependent on having work or not. That continuity in work is offered less and less by companies, but also temporary employment agencies (where most flexible workers work) offer little and even less security and continuity. While that is what is really required. Continuity is necessary to keep our economies running smoothly, but also to solve or greatly improve many social problems in current organizations. It is also extremely bad for a company itself if the composition of the workforce changes again and again. It takes a lot of time to learn constantly, it leads to more mistakes and less experienced staff. And so there are more disadvantages to less constant and experienced personnel.

This will have to improve in the future. By having more permanent workers both at companies and also at employment agencies. It can be done. It is extremely illogical if a company has more than 50 percent of its workforce in temporary workers. Now it is true that most companies that have temporary workers employ most of them on the shop floor. While some companies really employ a large proportion of temporary workers. And some of them also for longer periods of time. Whereby that longer time is often also "cut short " just before further obligations for agency or hiring company towards temporary worker would start to arise.

To counter all this, I would personally advocate that staffing agencies be required to ensure that, at least in companies with fairly constant staffing levels, at least 40 percent of the temporary workers they put on the job are temporary workers who are permanent employees of the staffing agency. That should be possible, if a distinction is made in terms of the type of company, the market and indeed how much the permanent staffing is. But that staffing can be expressed in FTEs, requiring a staffing agency to have, say, 40 percent of the FTEs employed at a company consist of flex workers who do have permanent contracts. There is always in every company a fixed and flexible part of work . And that fixed part, at least to a large extent, could and should be passed on - by default - to temporary employment agencies. Those temporary employment agencies could then be required, as of a certain date, to give those 40 percent of their total workforce for example (instead of 40 percent at each hirer where temporary workers are placed) a permanent contract. With immediate effect. In addition, in individual cases still maintain the obligation to do the same after a certain period of time, but then also regulate that the temp agency may not even suddenly place a temp to another company itself if the temp himself is enjoying himself at that company and the company is satisfied with that temp. The temporary worker then gets much more influence on whether he or she is allowed and can stay with a company, and then determines that together with the company where he or she is. Or even the company may have no further influence in it than if they are still using temporary workers. I am just mentioning something here, but generally I think that a regulation such as I describe or something along those lines is incredibly necessary. To drastically improve the position of temporary workers and thereby also offer security and continuity. And thereby also keep our economy running better. But it is also desirable from a social point of view. Every contract is not only a financial contract, but also a social contract. The latter is increasingly and far too often overlooked.

All in all, organizations & managers and government & politicians need to pay much more attention and stand up for citizens, residents and workers. For people. Rather than for procedures and machines and finances. Today's organizations are in some ways looking more and more like what Gilles Deleuze & Felix Guattari call "bodies without organs" in "a thousand plateaus." That book, a thousand plateaus, distinguishes between 3 different types of BwOs (bodies without organs). In any case, that typology or subdivision is extremely interesting, but of course more or other subdivisions are conceivable. But in "a thousand plateaus" a distinction is made between the "cancerous," the "empty" and the "full" BwO. The "empty" or "catatonic" BwO is the BwO of the Anti-Oedipus. It represents a completely disorganized BwO where all kinds of currents flow freely through the BwO with no end and no direction. Then there is the full BwO, which is the healthy BwO. It is productive. Finally, the cancerous BwO is caught in a pattern of endless reproduction of the same pattern.

This definition of Body without organs may not seem so interesting, or less interesting, to most readers of this book. Than it is to me and I think also to most better organization researchers and intellectuals. But even for the latter, it is relevant and interesting to relate this subdivision of body without organs to what follows. Being my understanding of and interest in the work of David Boje. David Boje's work is particularly focused on storytelling, but also has everything to do with sensemaking.

A few years ago I came across a piece written by David Boje on a website that was interesting to me. David developed a very interesting and relevant concept, namely the concept and notion of antenarrating. Unfortunately, that website no longer works, but it is about the following piece which was written there at the time by David Boje :

“ I have been developing the idea that antenarrative is a bridge of transformation between living story (& pre-story) and narrative. It occurs to me now since the 2001 book, that antenarratology is the study of two processes. One you might call Vampire, sucking the blood out of living story, all that co-creation, and reducing it to a beginning, middle, end (linear) narrative. The other is like Lazarus, being raised from dead narrative abstraction to live again, in living story. Type 1 Antenarrative: It's the Vampire handing spaces of living story over to

formalized place. Type 2 Antenarrative. It's the Lazarus resurrection of living story space from places of dead narrative cadavers.

Storytelling, for me, is defined as the heterogeneous practices in the interplay of narrative, story, and the two antenarratives forces. " ( David Boje, 5th of April 2008, <http://anarchlyst.wordpress.com/2008/04/04/the-friday-tea-time-blog-11/>)

In the particular piece I am talking about now, the one on the website in question, David distinguishes between the Vampire antenarrative and the Lazarus antenarrative.

The Vampire antenarrative would then be about "sucking the blood out of..." while Lazarus antenarrative is about adding life to. I myself renamed the Vampire antenarrative to Devil antenarrative, also because of reference to and linking to the work of Nietzsche and then more his Beyond Good and Evil of course.

The fact is that vampire antenarrative and also storytelling and communication of that character leads to what Deleuze calls the Cancerous BwO. While Lazarus antenarrating and storytelling leads more to a healthy BwO. Where there are organizations that can be characterized as BwO. But the fact is that more and more organizations or parts of organizations can be characterized as such. Devil or vampire communication generally leads (more) to a cancerous BwO and possibly the so-called "sick building syndrome." Where it is not a sick building but disturbed and perhaps pathological ways of communicating or a disturbing and/or damaging lack of (healthy) communication. But even healthy communication can still lead to damage due to other factors.

This whole story of BwO seems to have little to do with the debt crisis and the solution. But the fact is that the solution-the solution I created-will not only solve the debt crisis. It will also lead to healthier communication. Improved communication. And thereby solving cancerous BwOs and much of the devil antenarratives and communication. That, in turn, will lead to fewer mental health problems in society - which, by the way, will already be achieved once my innovation is in place and the debt crisis is over. And also many financial problems related or not related to the debt crisis will be ended with it. Resulting in less costs for psychiatric help and care. In addition, it will also start to affect the

general health and content of communication within families and society in general. These are all obviously very important side effects that will become reality once my innovation is implemented. And resulting thereafter the solution of and end to the debt crisis and the regrowth and health of economy and society.

The various bodies without organs, but also particularly David Boje's vampire and Lazarus antenarratives. By the way, also fit very well with the notion and concept of Phronesis Antenarrating. Phronesis Antenarrating is a concept and notion I developed myself, following from the work of David Boje. Further, for phronesis antenarrating, my own work and developed body of understanding of metasemeiotics and practicism is also important. Where metasemeiotics is in fact about a healthy BwO but more of a healthy body. So not a BwO. Indeed, I am not of the opinion that an organization benefits from being a BwO. Only that the character of procedures and practices must fit the organization itself and the demands of the times. There must be a fit. That fit should not be based on an illogical or deranged foundation. While a BwO situation or actuality, in my view, stems precisely from an illogical or disturbed cq disturbed foundation. Even the healthy BwO is still based on partial illogic. And therefore undesirable.

As I write now, and have already partially mentioned the work of David Boje, I want to mention some more of his work right away. David's work is very extensive and generally of a very high level and quality. I admire his work very much. And much of what I develop and do myself ties in with it. Or even adds something fundamental or important to it. However, David Boje often surprises me with his work because it gives fascinating angles.

So did a piece written by him from the year 2012. It was on <http://quantumstorytelling.posterous.com/quantum-storytelling-bakhtin-and-ontology-of>. Unfortunately, that text is no longer there either, but I am just referring here to some concepts from it that David also does use in more of his texts. I found particularly interesting in that text the distinction in ontology of past, present and future. And also the French Avenir which stands for "shaping and creating the future." As far as the ontologies of past, present and future are concerned, the fact that past and present and future cannot be separated is particularly important and interesting. And yet in much decision-making too much is separated. Just as different issues and interests are not seen separately from

each other and yet are separated too much. Interests of employees are too little considered, employees themselves take too little account of their future wishes and situations. But governments also operate with too short and too narrow a vision. Also because too little consideration is given to the future. Or because too few issues and critical points are taken into consideration regarding that future. So as far as ontology is concerned, it is very useful to divide it into past present and future and then see how and in what way these play a role.

In general, however, it can be said that many more aspects of ontology are important. Such as, for example, the generality of ontology. And the logic that is used. Where limited or incomplete logic leads to illogic and damage and problems. As is now the case within economic thinking, our economy and money system. With many consequences of which the debt crisis is the most obvious but not even the most damaging. The social consequences of lack of money-where lack of money is the cause of the current illogic-are much worse. But, a solution to that cannot develop and will not become a reality or to a lesser extent if my innovation for the money system is not understood and implemented.

Sensemaking is feelmaking. Our actions and thinking are determined much more by our feelings than we understand in the present time. Complete and logical logic as well as complete systems must take feeling sufficiently into account. Rationality is not rational (enough) if insufficient to no allowance is made for feeling. A senseless body without organs is unhealthy. Senseless aspects of our sensemaking in general, are unhealthy. Enchantment, enrichment of organizations and life, is ultimately about love. Love in every conceivable form. Being social and social aspects of organizations involving sensemaking can be in the nature of more or less love or more or less hate or badness. As such, my omdoping of the term Vampire to Devil regarding David Boje's terms of Vampire and Lazarus antenarrative is also better placed and understood. And could Lazarus Antenarrating also be called Love antenarrating. For example. Love is life. A life without love is unthinkable. A life without hate or wickedness is conceivable. And even more conceivable and pleasantly conceivable. A living being who strives for badness or hatred or violence is therefore illogical and even deranged.

I know I mention quite a lot of social, when this book was supposed to be about the debt crisis and the solution. However, I had already noted that social and

financial capital are highly interdependent. And the rising shortages of money in society simply result in deterioration of social capital. Less love, but not necessarily more hatred and badness. In fact, I believe and think I understand that less love has virtually no effect on rise in hate or badness. Nor will increases in hate or badness lead to less love. So deterioration of social capital will not lead to less love. However, deterioration of social capital may lead to social problems because of, for example, less communication or (resulting from this) less trust in others. So while love and social capital will not be reduced so much, it will take on a different character. And perhaps communicated less or in a different way. Furthermore, communication and storytelling is of course needed to inspire, organize and redirect people. And just to get enough information and thus understanding. To learn more and better. And to build and maintain relationships. Social growth and improvement can only happen with financial growth and improvement. Real growth and improvement, not make-believe solutions.



## 4. Relevant work of economists

I want to pause here and briefly mention the work of a few economists, particularly in the current era, who did say or develop relevant things. These are generally individuals who specialize in the knowledge area of economics and, unlike most mainstream economists, do understand what they are talking about. And also talk about relevant issues rather than highly theoretical and too much math-based reductionist models. Which have little to no relevance in practice and even harm it.

Some of those economists who are alive today can be found at Harvard University and also Erasmus University where I myself graduated. I will not go into the work of economists in great detail here. While I am an expert on economics and the debt crisis, my specialty is also more in the areas of (change) management, social science and philosophy but more phronesis. As such, I am not aware of specialized economic theories and articles in any real detail. Nevertheless, I understand that the work of the economists I mention here are relevant to inform my understanding and also argumentation. I am therefore going to tell why here, though I will not go into the matter in depth.

Robert Barro, a Harvard University professor, is relevant. Because, among other things, he has published an article arguing that in many cases higher inflation than 3 percent is not even detrimental to a country (Robert J. Barro, 2013. "Inflation and Economic Growth," *Annals of Economics and Finance*, Society for AEF, vol. 14(1), pp. 121-144). He indicates in that article that even inflation rates of 10 percent in many cases do not even appear to have been detrimental to countries that have experienced them in the past. This observation is important and relevant especially given also that the EU on EMS requirements requires countries to keep their inflation rates below 3 percent. The work of Barro and others - there are more economists who indicate or argue that inflation above 3 percent is not even problematic and even 7 percent or more non-indicates that the 3 percent is completely irrelevant. And thus that those requirements of the EMS accord are as well. However, the fact is that many countries and politicians still tend to use that 3 percent as a guideline. While that 3% requirement is thus completely illogical and irrelevant, and in the process also leads to a lot of damage in and to society if it is actually maintained at this time. Instead of

allowing a much higher rate of inflation. For that matter, a budget deficit below 3 percent is also irrelevant, although it seems to be so in current times. Based on current economic concepts and also advice and insights from mainstream economists. But the fact is that - with the current monetary system and resulting opportunities for the economy and society - one simply has to get or create more than 3 percent budget deficit in order to further drive the economy in that way and ensure that the damage in society is limited. If and as soon as my innovation for the money system is introduced, surely also a higher budget deficit will be quite simple to eliminate completely. Better now is to pay less attention to accumulation and debts and not to reduce them but just let them increase a little more. That is better for the inhabitants of the Netherlands, our companies and also our politics and government.

Olivier Blanchard. I want to mention him because he basically did name a piece of the big puzzle called economics pretty well. Although he could have named it better. And could and should have understood it in a broader context. But quite generally what he argues is in its essence quite good, while Olivier Blanchard does somewhat misinterpret and elaborate the character and content of this argument. I am referring to his argument of global imbalances. A term which Blanchard himself uses to indicate a cause of the crisis. Which in its essence is already completely incorrect. Because global imbalances is not a cause. But no more than 1 of the many consequences of the real cause and also 1 of the many consequences which together lead to problems which together also lead to financial problems and the debts which in its totality are referred to as debt crisis.

The fact is that , both for the crisis itself and for understanding and finding the solution, it matters quite a bit from which perspective and underlying foundation the debt crisis is viewed and thus understood. In fact, my perspective and way of looking at it in its essence and foundation is different from that of others anyway. Better. I say that from a general understanding. As I mentioned earlier in this book, I have developed meta-semeiotics. This meta-semeiotics, the best body of understanding ever developed, is at once the very best foundation and guiding principle for all science, sense making and practice. It involves unification of everything on the basis of the one true underlying structure and character/"nature" of everything. It is the most excellent foundation for everything, and although far from everything is really based on this underlying structure and character of everything, it is better when it is. In fact, everything in our universes that is not created by humans is also based on this most excellent

underlying structure and character of everything. But the realization that it is, and the incredibly fascinating and intelligent way of seeing and understanding that results from that, is ultimately the result of and emanating from my brain. From myself, me. I and my brain are the source of that awareness and the meta-semeiotics is a result of that awareness and that vision and that perspective, But also my understanding and awareness of the shortcomings of the current economy and our current financial system and also the solution come from my brain and as such are also based on the vision and ways of thinking based on holoplurality (my label/notion for the one true underlying structure and character of everything) which is a metasemiotic perspective. Metasemeiotics by definition must be based on a better or worse understanding and application of holoplurality.

Olivier Blanchard does not have that perspective, and even works with parts of a much worse and strongly inferior perspective and view. Leading to perceived understanding which is no real understanding and can even be described as relative nonsense. I wrote just tonight on my skype account in english the following : "Scientific and societal proof seems to be another word for perceived but mostly unreal mathematical or argumental or argu-mathematical "completeness." These are few words that name something multiple and essentially essential. Being the understanding and harmful derangement in our society encompassing the fact that much and even the vast majority of what is understood in our current society as being evidence - both scientific and practical - consists of perceived but incorrect mathematical or argumental or argu-mathematical "completeness" that is in fact incomplete and therefore also incorrect and/or harmful to society. I want, will and must address this in some detail in this book as well. Because insight into this fact is important but also because it is an important reason and cause why also the reasoning of Olivier Blanchard but in general that of most economists and whoever is incorrect and based on multiples of inaccuracies and combinations of inaccuracies and relative nonsense.

Yet there is 1 aspect of the overall debt crisis that Olivier Blanchard mentions in part that is interesting and well elaborated. While in other work of his he elaborates it in a different and also partly incorrect and irrelevant way. I am referring here to Global Imbalances. In a couple of sheets Olivier Blanchard has written for MIT ( " Global Imbalances " , Olivier Blanchard, Mexico City, May 2007) there is a good and interesting graph. In which the title actually says

enough. It says : "The sizable US current account deficit mirrors the surpluses in asia and the oil exporters". (" Global Imbalances " , Olivier Blanchard, Mexico City, May 2007, sheet No. 4). This indicates that perhaps a much larger part of governments' debts are caused by globalization and oil. And the money flows that flow from the US and EU towards Asia and the oil exporting countries as a result. It is also fairly common that because of globalization more and more money is taken out of the primary process or needed for and absorbed into international trade instead of being used for the primary process. This is particularly to the detriment of lower incomes, who consequently earn and have less and less to spend. Meanwhile, the prices of food, gasoline and energy, among other things, are rising. And meanwhile we all additionally need an expensive cell phone with an expensive mobile subscription, we really cannot live without it. All basic necessities of life without which we cannot do without. And which already make up the vast majority of spending by lower income groups. Which will become even more so as fixed expenses increase as a result. While meanwhile, the gross and net incomes of these lower income groups- generally temporary workers who see both wages per hour and the number of hours worked decrease- are only decreasing, whether dramatically or not.

Now before I go on to mention other economists and their work. I do want to mention that this work is on the one hand relevant, but on the other hand completely irrelevant to solving the debt crisis and driving and making our economy and society healthy. It is important to mention their work, and to write a rather detailed argument like the one in this book, because understanding is needed of what we are doing in the Netherlands but also globally in terms of economics and money and money systems. In fact, much of it is utterly deranged and harmful, especially because of a lot of misunderstanding in the field of economics and money. Economics is a science that is not really developed yet. Our money system but also our life is really made much more complex and difficult but also incomplete and therefore harmful than it really is and can be. In its essence, money, our money system and also economics can be incredibly simple but also effective and great. That is also what I strive for, and what can and will become reality, once my innovation for the money system (thus already mentioned in my first book -ebook- on amazon/kindle) is in place. That innovation will make our money system complete again and appropriate to the character and characteristics of our present society.

However, I have already experienced that implementing my solution will not be particularly easy, although the solution itself is really simple and easy to implement. And yet, it is the most excellent solution and the only one that will really work permanently. For several reasons. In particular, the fact that it is difficult to implement also has social reasons. Politicians and economists still rely too much on current economic knowledge and how that relates to our current money system and monetary policy. Money is everywhere, and monetary policy too is everywhere and affects everything. I am not just talking about monetary policies and actions of governments, but also the monetary policies and actions of organizations and individuals. Lack of money is also everywhere. Even in those who do not lack money directly or even earn much more than they need. After all, those individuals also suffer from the lack of money of others on all sorts of fronts. One can think of various negative consequences of lack of money both inside and outside work. And within and outside one's own family or social circle. Criminality is indirectly, to some extent, often the result of lack of money. Payment delays from clients of companies. Lack of money. A poorly functioning economy and its impact on opportunities of companies and organizations and individuals. Lack of money.

In its essence, there is 1 major or perhaps most important argument against creation of more money. Being the argument from inflation. However, this phenomenon, inflation, is completely misunderstood by economists. Inflation in itself is not negative. Doesn't have to be. Besides, it is debatable what would be worse, inflation that does turn negative within an otherwise reasonable to healthy economy versus the economy we have now (the year of 2012) or even a much worse economy but with somewhat higher inflation.

So while inflation is a main argument against creation of more money, it is a completely irrelevant argument. It is a very relevant issue and concept, especially because of the great role and importance that inflation plays in both economic thinking and policy as well as monetary policy of the EU and EU countries. But it is not it out of pure economic and social interest. On the contrary. Inflation, and especially the misunderstanding of what this concept means among economists and politicians, unnecessarily perpetuates the bad economic situation labeled as a crisis. And even worsens that situation.

In fact, in the current times, I am writing this now September 2012, the following are among the things that are keeping the economic situation of the EU and the world unnecessarily at a much worse level than can and is possible also with the current irrational and deranged monetary system and policies:

1) The understanding and rigidity of the concept of inflation. So here I have already partly told 1 and 1 about this, but I do go into this in more depth in the rest of the book.

2) The European Emergency Fund ESM. This emergency fund takes more money out of the economy, the primary process. While at this very time this is incredibly harmful and disastrous for society, organizations and individuals. Because there is already too little money, and in this way even even more money is taken out of the primary process. This hurts organizations and individuals, and it leads to a continuation of the negative processes that have been going on for some time. The emergency fund is not in itself harmful and may even play a very good role in the future. But at the moment, within the current monetary system, it is an extremely harmful initiative. Which, by the way, does change completely once my innovation is implemented because then the money needed for EMS does not have to come from governments, organizations or individuals to any degree. Raising taxes or worsening economies for the benefit of the emergency fund (which is going on now and will happen even more in the near future if my innovation is not in place by then...) is then NOT necessary anymore. While it is now the rule and thus a high degree of deterioration of our economy and thus society.

As such, Robert Barro's work on inflation - the research and findings I have mentioned here - does have relevance. Although a better understanding of all this and the derangement of the inflation misunderstanding is a very important and fundamental stepping stone to a much broader and better understanding and hopefully the ultimate understanding of the excellence of my innovation for the money system and the Excellent Monetary System that will result.

The derangement and harmfulness of the misunderstanding of inflation leads to the unnecessary and harmful profound complication of introducing my innovation-the solution to the debt crisis. This is because the misconceptions of inflation-which conjure up specters and perhaps nightmares about inflation that are not at all real or relevant-are so incredibly widespread in thinking and communication of mainstream economists , politicians and governments in

particular. But also many of these misconceptions have been translated into extremely disastrous policies at the national and global levels. Especially also in EU monetary policy. The EMS agreement and directives are a "good" example of this. A good example of 1 of the biggest obstacles and "disasters" of our society, being the extremely influential negative and harmful policies result from an incorrect, disturbed and harmful understanding of economists regarding the phenomenon of inflation.

I will repeat that in several places in this book, but hopefully be able to explain it sufficiently. The latter is difficult, especially since those who need to be convinced are quite programmed and blinded by the incorrect assumptions and misunderstandings regarding inflation. Even when I try to explain it in a relatively simplified way. And perhaps precisely then, because that simple explanation sometimes fails to address a much broader explanation WHY my understanding of inflation is WELL correct and WHY the most common "notions" are absolutely NOT. A good explanation of this usually requires a) a more personal and much more comprehensive explanation and b) that those who need to be convinced actually take the time to actually listen and also actually show interest and think about what I write or better yet explain. The latter is unfortunately still too infrequent at the moment, mainly because most people think they already know and understand everything. Not being open to the possibility that this is not so (a fact) and that one is thinking completely wrong in that area.

With every phenomenon and reality in our society, the relational is obviously very important. If this phenomenon is made leading in thought and policy, without having an eye and understanding for the situation in which one finds oneself and which environmental factors play a role, then one can implement completely wrong policies and fail to manage certain aspects of our society in the right way. This is also what more or less plays out with the phenomenon of inflation. If the right rules and conditions are not created in an economy or society, inflation can occur. This can then be bad or good. In the case that inflation is bad, it is a result of the conditions and way of management. In that case the conditions or way of management should be changed, and not - as the EU does - make the bad phenomenon of inflation leading because it would always be the result of the conditions or management. Inflation is a consequence of incorrect, deranged conditions. With the right conditions and good management, inflation does NOT occur. And if it does occur with certain conditions and management, it is not at all a problem if inflation rises. Because it can be managed, but also because

improved conditions are less likely to lead to inflation. And if it happens at all, that inflation is of a very different character than in the case of a bad, incomplete context with wrong conditions.

My innovation for the money system ensures that our current money system but also the economies based on it can be fully repaired and restored. The current "work of art" being our economy (an important, if not the most important, part of our society) has been incomplete for a long time, but is now becoming more and more damaged. And this in turn is adversely affecting society as a whole. This can only be solved if our money system, our monetary system but also policies, are repaired. The right conditions for a healthy monetary policy and a resulting growing healthy society can only be created and maintained by a healthy monetary system. My Excellent Monetary System is just that. And will occupy a central fundamental place in the societies of the future. Hopefully that future will be here soon.

But now back to the issue of inflation. Inflation basically arises from the unbalancing of our economy. This can happen because indeed too much money goes to certain entities or processes in our society. But even in that case the balance will generally recover in the longer term. Especially if the government understands what is going on and takes appropriate steps. In the case of prices becoming too high relative to incomes, one possibility would be to rein in prices. But another possibility is to raise minimum incomes. For example. In fact, it is also the case that increasing minimum incomes in the longer term should allow prices to be lowered. Because as a result of higher incomes, sales and also sales of goods will generally increase. Whereby companies will make more profits, and coupled with efficiencies and economies of scale, they can possibly either lower prices or allow workers' wages to rise even more. What I am trying to communicate here is that profits or benefits from companies should generally be passed on to workers. Through better pay or an improvement in labor by having to do less or whatever. This can be done, and if it is not done it generally leads to longer-term problems. As it does now, in fact, workers in the lower income groups should be earning much more now than they do now. Partly because of automation and efficiencies.

Furthermore, as far as inflation is concerned, Milton Friedman's work is of course important and interesting. However, I will not go much deeper into that here.



However, I do want to do so regarding a concept of Milton Friedman that is relevant. I am referring to his concept of "a helicopter drop of money" ("The optimum quantity of money", Milton Friedman, 1969). This concept was once mentioned by Milton Friedman. And various intellectuals and academics later discussed or mentioned the concept, of course.

The fact is that Friedman's term "a helicopter drop of money" ("The optimum quantity of money", Milton Friedman, 1969) sounds nice. However, for several reasons, this will not help the economy recover. The main reason this will not work is the fact that even Friedman's "a helicopter drop of money" is not about truly new creation of money. The aspect of Quantitative Easing (QE) initiated by the Fed (Federal Reserve) and practiced in current times does not work for more or less the same main reason, but also more or less the same characteristics as those of "helicopter drop of money" either. Of course, there is a big difference between an arbitrary "helicopter drop of money" and a more purposefully directed QE. There are also probably more differences to be found and named between "helicopter drop of money" and QE. However, there are also some similarities that are actually detrimental and make both QE and "helicopter drop of money" not really effective in the longer term. Or at least not effective enough and a lot less than a more optimal and grand solution like my innovation for the money system can be and is.

It is also fascinating, however, that in 1936 John Maynard Keynes (whom I personally like very much) in his book "The General Theory of Employment, Interest and Money" already proposed something more or less similar to Milton Friedman's "helicopter drop of money" proposal. I am referring to the following passage in his book :

*"If the Treasury were to fill old bottles with bank-notes, bury them at suitable depths in disused coal-mines which are then filled up to the surface with town rubbish, and leave it to private enterprise on well-tryed principles of laissez-faire to dig the notes up again (the right to do so being obtained, of course, by tendering for leases of the note-bearing territory), there need be no more unemployment and, with the help of repercussions, the real income of the community, and its capital wealth, would probably become a good deal greater than it actually is."*

(John Maynard Keynes, "The General Theory of Employment, Interest and Money" : Macmillan, 1936, p. 129)

In September 2012, the Fed announced a third round of QE, QE3. This while also continuing measures announced under and belonging to QE2. The fact is that these measures, like a "helicopter drop of money" (HDOM) as it was intended by Milton Friedman, will not work. At least, if I understand what "helicopter drop of money" is really about. Regarding that term, "helicopter drop of money," unfortunately I have to rely on indirect sources as far as further information of what that would entail. According to those indirect sources, an important aspect and characteristic of "helicopter drop of money" is the same as that of QE. Being the fact that both QE and HDOM do not REALLY add additional money to the economy. At least not in the longer term. Because in both QE and HDOM debt is created in exchange for the money that is created. This is done deliberately in both QE and HDOM. As far as I understand because this would prevent inflation, according to economists. However, in the case of the US, QE also means that the mountain of debt grows much more, while it is and was already far too high.

However, I have also tried to explain in various ways in this book that in many cases inflation does not even have to be detrimental. And that inflation can be well managed anyway, can be countered, if it is really necessary and desired. However, it is already clear from various tools and regulations of economists and politicians and governments that people just don't understand enough about the notion and phenomenon of inflation.

Money creation, real money creation, is what is and will be absolutely necessary in the long run. But moreover, the most excellent and optimal way of really creating new additional money - my creation being the innovation for the money system - is also the most excellent solution to really solve the debt crisis. And in addition, to make our current money system so flexible and transform it from a relatively closed to a more open system, so that interdependencies of money and scarcity decrease and thus the possibilities for entities to really grow increase. The implementation of my innovation of the money system will lead to a transition to the Excellent Monetary System I created and initiated. Which is not a theoretical system, but a system that directly meets the needs and necessities in our practice, our society. The Excellent Monetary System must become a reality to transform into a much more social and greatly improved economy and society.

So the main problem with both QE and HDOM is the fact that there is not really additional and strongly needed money being added to our economy. While that is highly needed to :

- überhaupt allow past debts to be at least partially repaid.
- Enable real growth of the economy, including through this, again but also
- To enable a more complete and also efficient quantification of our society and to transform the inefficient and detrimental and harmful dependencies in our society where necessary and where it can be done into less detrimental dependencies or even no more dependencies at all. I return to this in other parts of my argument in this book.
- A more specific and more excellent - partly perhaps through a more targeted - support through social and or financial capital can be made possible and also a reality.

So the QE and also the idea of HDOM both have the effect that no real money is added, while debts do increase. And since interest must also be paid on debt, the overall situation for governments only gets worse. Unless the cost of interest decreases and the old debt position is replaced by a new one with lower interest costs. And since governments in addition to organizations and individuals actually spend their money again on the primary process within the economy and in doing so also have an important relationship with other entities in the economy and the economy itself, both QE and also HDOM are also very detrimental to the economy itself in that regard. The fact that debt is already too high, and even rising, has a seriously stifling effect on the economy itself. If only the adverse effects that increased debt has on monetary policy of both the US and the EU. Those policies are already very negative in character, but also in substance. Also because governments do not yet understand how an economy really works and especially how it could work. And the lack of understanding of the apparently complex concept of inflation and the resulting negative policy of the EU also because of this, only leads to a further deterioration of the economy and society.

Another disadvantageous aspect of QE is that the money that is pumped into the economy in this way, but based on the creation of debt and interest charges to banks, also ends up largely back with the banks. And not to the parties in society who need it much more, where the problems are really present. What actually

happens with QE3-if I understand it correctly-is that the Fed takes loans from the banks. And then pumps that money back to the banks to pay off mortgage debt. Including the additional creation of interest rate debt to the banks.

In my opinion, this simplified explanation of QE3 makes clear how deranged the Fed's course of action in the case of at least QE3 actually is. Borrowing money from banks. To then pay off other loans from banks. So that those banks would have more money to make more mortgages. Apart from the fact that in practice banks probably won't lend more for mortgages this way anyway because that lending of mortgages is subject to rules that don't change and Individuals do have to have the money to take out mortgages. Because of this - because of this action - they will only get less money in the future. because taxes have to be raised to pay back the loans taken out by the government as well (someday).

This is in contrast to my innovation for the money system, which in its essence aims at real additional creation of money WITHOUT debts. With that additional money, more or less debts can then, among other things, be paid off without other debts taking its place. So it is about actually paying off (parts of) debts. Whereby the party receiving the money can actually start using the money again and as such does not go backwards. No one, no party, will lose out if my innovation for the money system is implemented. While there are parties who will gain. This will only increase if the money that becomes additionally available through my innovation is also used for other purposes. Such as better education, better health care, better elderly care, improved (opportunities and financial resources for) science. But also, the (partial) abolition of taxes. Not for a short time, but for a longer time and possibly permanently. Income tax, tax/excise on gasoline, value-added tax. Dog tax. Speed camera tax. Speeding tax. It can all be abolished to a greater or lesser extent once my innovation for the money system is in place. Without other taxes replacing it, and without increasing debt or lack of money in government or other parties in society.

My innovation for the money system. Is a win-win solution. Everyone benefits and no one suffers. Really everyone and all parties benefit. And unlike the QE story and the idea of HDOM, it is the solution to the debt crisis. The only and most excellent one.

## **5. A monetary revolution requires a different way of thinking**

This book is a pretty comprehensive description of the economic crisis and the solution. Comprehensive and also not. Not extensive because I remain rather superficial and do not go deeply into many facets and issues related to money, economy and the debt crisis. But extensive because I discuss some issues more extensively than absolutely necessary. In fact, in my opinion, the entire problem that led to the debt crisis and the solution to it can be adequately explained in less than 10 pages of text. The problem, however, is that most people will not understand those 10 pages of explanation because of too many assumptions about economics that are not true, but that many people think are relevant. While they are not.

The fact is that the basic principle and foundation of our whole economic system and money system is in its essence quite simple and should be explainable. Except that the relational being of money and money in our economic system and society is incredibly multi-faceted. But attached to the fundamental money system are also a lot of "frills" that are not relevant to have and get sufficient understanding to solve the debt crisis. On the contrary, many of those additional aspects of the financial and economic system are also incomplete and partially destructive to certain parties or processes in that economic and social system belonging to and shaping our society.

As far as understanding money and our economic system is concerned, what is true for everything in our society is true. Namely, that our money system and our economic system is also part of our thinking. Our system of thought. However, not only is it part of it, but it also influences our thinking and our system of thought. For better or for worse, but in our present time more and more for worse. That negative is a result of dysfunctionality of our economic system stemming from our money system. Where economic system and money system and monetary policy cannot be separated, but are in fact and also in reality the same thing. And then again, they are not. In the sense that money system and economic system and monetary policy are more or less evolved versions of our money. This can be seen as a linear process or circular thing or any other conceivable form. And certain rules or laws or contracts- connections between

money and other entities in our society within a system such as economic system or monetary system- make reality more of a linear or matrix character. Just as certain characteristics of money itself within the system, such as in this case the scarcity of money or perceived scarcity of money (which again is not a characteristic of money or the system itself, but rather that of the individual or it/a collective in connection with aspects or characteristics of money and the system in which it functions) , influence dependencies and thus more or less matrix thinking and reality of reality. That more or less matrix then in all cases affects parts of our financial capital and reality as well as our social capital and reality. Because financial not only affects social, but precisely because financial is always to a greater or lesser extent social (capital).

Freedom is not simply an important value for all of us. It is an important value in part because more freedom means less dependence. Less relational dependence. But, it does involve dysfunctional or disturbing aspects of relational dependency that must be resolved or eliminated, to ensure more freedom. As far as money is concerned, less (perceived) scarcity of money means less dependence. And additionally, in case of less scarcity of money, also more opportunities both financially and socially. In that case, more freedom also means more growth. More growth of organizations, government and individuals in society. In the end, only the last 2, more growth of individuals and society, are really important. Already growth of organizations and governments contribute to growth of individuals and society.

In addition to scarcity of money, negative or negatively perceived or perceived rules and laws and contracts also adversely affect our freedom and thus our growth. Although rules and laws and contracts can and will also have a positive influence on growth. In that respect, sometimes a certain loss of freedom in relational relationships is necessary to allow growth in other areas. What is often forgotten, however, is that growth is not only financial, but also social. And that this social growth is ultimately the only really important thing and should be leading in whatever we do. A contract or rules and laws (rules and laws being specific forms of contracts) are and should not only be financial, but especially also social. And we will also have to deal with that especially in the implementation and application of the contract or rules and laws at all times adequately and in the most excellent way possible. In really everything we do in this society, social and being social must play as large a role as conceivable. So

also in and with our money system, economic system and monetary system/policy.

As for the already mentioned linear and matrix characters of our money system, economic system and monetary system, the following can be said. Really everything in our society, and I mean really everything, is part of sensemaking. Our thinking. In which individual and collective systems of thought and thinking are part of each other and influence each other. The most excellent and optimal situation exists when our whole thinking and also everything in our society is as much as possible in line with the most excellent underlying foundation for thinking and manifestations of that thinking in our society. That most excellent underlying foundation is what I have called holoplurism or holo-multiplurality. In fact, really EVERYTHING in our thinking and our society must be based THERE. If it is not, it leads to less optimal and even harmful or disturbed realities.

The fact is that our entire current money system is in fact based on and full of illogic. Relative illogic that has not really been and has not been noticed until now, but it is there. I am talking about certain relational relationships that are contractual or established or rules between organizations and or individuals. Which are not logical in character or form or composition when viewed from their relationship to society and from a completely undisturbed and optimal way of thinking. That illogic is partly the result of the scarcity of money, but also the result of developments in our society coupled with the way our society is structured and the role money can play in it at this time. Starting from our current monetary system and the rules that apply within it.

Our current money system has become increasingly influential in our economy and way of life simply because of all the contracts and additional rules - for example, monetary policies of the EU, US, countries and organizations. We have become more and more dependent on money. In addition, however, it is also true that money is simply becoming increasingly scarce, and less and less labor is needed to produce goods and services. While within and with the current prehistoric monetary system there is a direct or indirect dependence between labor and income. All social benefits but also all government expenditures can only be paid for if workers put up these expenditures. Such is the situation in our present economy. And if fewer people perform labor, or if workers together earn less money or have to earn more because of more social costs and do not earn

that more (as in the present situation) than that leads to problems. Which by definition is so in a relatively closed economy like ours. The economy is then guaranteed to get out of balance, as has happened in the world in recent years. The financial crisis and economic crisis officially named since about the year 2008 had actually started much earlier. It is the logical consequence of an incomplete monetary system which does not fit the developments of our time.

To really solve our debt crisis. And adapt our money and monetary system & policies to the needs of the present time and a more excellent future. Among other things, the following is needed:

1) Money must again become much less scarce than it is now. This largely removes the now extremely negative dependencies in society. Ensures greater freedom again. And of course the possibilities and opportunities of governments, organizations and individuals increase as a result

2) Money should not only be earned by working for it (producing goods and or services), but in addition, money should simply be produced. At least right now, this is needed as soon as possible to compensate for a great lack of money. But in the future it is also necessary for 3) because this decoupling of money from labor thus also makes possible the following to know

3) Workers should not have to pay for all the costs incurred by governments. That is, workers should not have to keep paying through labor for the costs of government which therefore includes benefits for the unemployed, costs for health care, elder care, other benefits and whatnot. In the future, some of these expenses should simply be paid for by means of money produced alongside or at the primary process of what is now seen as value creation namely production of goods and services.

Through all these measures, our present money system is going to fit again with the demands and desires of our time. The misfit that is there now will then change into an excellent fit with the wishes and demands and the character of society. Following this necessary transformation of the money system, however, society will also have to transform in some respects. Among other things, and also largely as a result of the changes in the money system and also what that will make possible in the new generation of society. And that is a lot. A lot. My innovation for the money system will lead to unprecedented possibilities and developments in society and economy. Economy and money will and can again



come to serve society and the growth of individuals, organizations and governments.

At the moment, economics is certainly not a "zero sum game." Not partly because value does not depend solely on money, and even consists of everything but money. As I also say in another part of this book, money an sich is worth nothing. This seems a strange assertion, but it is not if we imagine in our minds that we can no longer do anything at all with the money we have in our wallets or in the bank or what we are yet to earn. In that situation, money would indeed no longer be worth anything. Money only has its value because of the rules we have (established) together regarding money and the fact that, in principle at least to a sufficient degree, we all abide by those rules.

## 6. About our relational being and the matrix

Within the social sciences, there is a movement referred to as social constructionism. This movement is a general one, and scholars within various social sciences have an interest in it to a greater or lesser degree. And some are referred to as being social constructionists, which of course is always to a greater or lesser extent. However, there are some well-known academics and intellectuals who are seen by others as being social constructionists. One example is the French sociologist and philosopher Bruno Latour, who along with Michel Callon and John Law are considered the founders of actor-network theory. The ANT theory. Social constructionism is an important movement in the social sciences. It assumes that the world is malleable and changeable by us as individuals or actors. This is true, of course. But an important fact that supports this movement is that science is also increasingly advanced in understanding our social environment and society. And in doing so, it is also developing better and better methodologies and tools to actually better understand our society but also-and this is the most interesting and fascinating-improve it. As such, social constructionism and research methods and techniques associated with it are also a very important and fascinating part of change management. My work, especially my work in the area of meta-semeiotics, is not only an important part of that but it is also very fundamental and important for further improving and optimizing constructionism, methodologies that go with it but also especially transforming and improving society. In all imaginable forms and in all imaginable fields. It is the most excellent way of seeing, the most excellent methodology and the most important step forward for science and practice. I do need to further explain my meta-semeiotics-which is better than CS Peirce's semiotics and than any meta-physics in the future. But in principle, meta-semeiotics-my creation-is already done. Just as my innovation for the money system is, but unfortunately it too needs some further explanation and especially that more and more people are made aware of it and begin to understand how excellent all this is.

The psychologist and social scientist Kenneth Gergen is 1 of many other scientists who can be considered to belong to the social constructionists. He founded the TAOS Institute. And has written several books. Of those books, for here the book "relational being" is interesting. The book itself is very good and interesting. However, as with the work of most and all books in general, the underlying perspective - or at least the perspective of the person reading what is described in the book - is not only very important but essential. In many cases it

can already be seen from the presentation of the work (the text itself or the way it is communicated by the writer c.q. intellectual himself) that the intellectual c.q. academic of a scientific work himself does not have the most excellent and only really correct perspective and understanding. This only right perspective and understanding being meta-semiotic and appropriate to practicism can be found in few works. And even if it can be detected, it is not in all aspects and facets of the work. That is, even if some form of meta-semiotics can be detected, it is not yet complete and comprehensive enough. This leads to all sorts of errors. Reality is not Multi-layered. It is holoplural, which in Dutch is probably best translated as holo-multiple. Where again, that holo-multiple should be seen and presented in a different way than holographic or holographic. Holographic is more singular than holo-multiple, and thereby more linear in character than holo-multiple in character. Holo-multiplicity must be seen in a holo-multiple way, that is, more or less cumulatively holo-multiple to all directions out. All conceivable directions. Everything holo-multiple is itself part of and itself consists of infinite holo-multiple. So in fact everything is holoplural holoplural. Our holoplural universes are holoplural holoplural. Which is a relational way of seeing. Which in its essence really considers all conceivable factors and issues and even possibilities that are there. That factuality and essence is also addressed, and hopefully adequately presented, in my creation of phronesis antenarrating. Which is a part of practicism c.q. phronesis meta-semeiotics.

Relational being must also be understood from a meta-semiotic perspective. And meta-semiotics and practicism is and is also about the most ultimate and complete form and existence of relational being. And relational not being yet. Which arguably is also a form of being, not being. Possibilities as belonging to being. This text-this book-for example-is a form of being if it is considered that it is a book and text. Whereas it is a form of not being if one looks at the content and that part of the content which is not yet a reality in our society or anywhere outside the text of this book. In that respect, by the way, Jacques Derrida's statement that I mentioned in an earlier part of this book is also extremely interesting and relevant.

If relational being or the reality around us is considered. Then it must be understood that these forms of being are always a more reductionist form of holopluristic plurality. As such, sensemaking and representation must also preferably be plural in its essence, and preferably more plural than reality. Or at least complete and plural enough in either the representation itself or the

combination of the representation as well as the interpretation of this representation. The more plural the sensemaking process-joining and corresponding to what I have called phronesis antenarrating-the better the outcome and the better the possibility for a more excellent being.

But in addition, it must be understood that the plurality of possibilities gives us almost unlimited opportunities to transform the reality around us and give it other forms and realities. Especially when the understanding and skills of those who do so are greater and growing. In addition, however, it is important to understand at all that reality as we experience it is only 1 of many realities and especially possibilities. There are many almost infinite other possibilities for our reality and therefore our society and organizations and individuals within it. This may seem like a known and established fact. But it is far too little understood what that means for the possibilities of our society and the way in which we could but especially should organize things better. On top of that, everything needs to be considered and understood in a relational holopluristic way. Then what I am saying here about a reality that can be so much different in so many different ways also comes to stand in a completely different perspective, but above all, the possibilities then increase dramatically to actually dramatically improve, grow and transform our society in a radical way and on a qualitatively much improved level into something that can constantly improve and grow.

My innovation for the money system is an essential part of that. It is part of holopluralist understanding, which by definition means that it contributes to greatly improved growth and transformation of our society. However, since money and monetary policy plays such a profound role in really everything of society, especially my innovation of the money system will have the most profound impact on really everything imaginable. No one, not even me, fully understands yet how profound all this will be. It is also not yet comprehensible because this will really lead to almost unprecedented and generally strongly positive energy and results. Especially if my relational meta-semeiotics starts to become more and more the foundation and main perspective and part of sensemaking, science, practice and society as a whole.

Our present money system, in its foundation and effect, is highly obstructive and harmful. This is mainly because this money system is incomplete. But, and this is even more fundamental, it does not match reality. This reality calls for a plural

and opportunity-creating money system that, moreover, is not based on more and more dependencies that are obstructive, but is instead focused on opportunities for innovation, transformation and growth.

Some aspects of our current money system that hinder and lead to harmful results are:

- Money is basically quantification of reality. Which is a way of representing the reality around us. However, this representation is always reductionist and therefore to some extent incomplete. Which in itself need not be a hindrance, as long as the properties and characteristics of that representation match reality as closely as possible. And as long as the quantification an sich is done in as complete a manner as possible. What I mean by that is, for example, that if something is expressed in money, then as many aspects that are important to be expressed in money as possible are actually expressed in money. For example, when talking about costs, social costs and costs of natural resources should also be adequately quantified. In production of a product, not only direct labor and material costs are important, but also relational costs such as social costs, health care costs, costs of seizing and impacting nature and society, etcetera. These costs are not fully quantified, as we all know. Not at the organizational level, but also not at the government level. There are certain costs that are not considered by anyone and therefore not reimbursed or paid for. And because certain things are not quantified, losses in those areas are not even considered in some cases or in general. It is not taken into account, and it is not even considered relevant by some parties. Sometimes also because these costs-whether financial or social or otherwise capital costs-are not even made visible because they are not named or represented by financial or social capital.

- Economists completely misunderstand the phenomenon of inflation. They do not yet sufficiently understand, for example, that inflation in its essence is a label for imbalances. Being out of balance in the economy. Which of course can have many causes. But in addition, there are also many different forms of and also causes of inflation. Those causes are mostly different, but in addition generally multiple. Much more multiple than economists currently understand. Furthermore, it is true that inflation can generally be managed very well when adequately understood, and that it matters quite a bit in which social climate or reality inflation exists and thus also the character and causes of this inflation. But further, it is also true that inflation should never be seen as a freestanding thing, but more also as 1 of many phenomena in society that will occur anyway to some degree but mostly is not even harmful or need not be. There are several reasons

why various forms of inflation are not in themselves bad or even a logical natural result of very good and constructive developments in society. In today's society, for example, inflation is mostly just a phenomenon of growth. That form and capacity of inflation is not harmful. There are various social situations where inflation in itself is not a problem. In addition, although there are undesirable forms of inflation, these usually involve a deeper cause. In this case-the current situation in society-that deeper cause is misunderstood. Inflation can occur both when there is too much money in society and as a result of too little money in society. Furthermore, inflation itself can be caused by too much out of balance in the system per se. Without more or less money coming into society. It is also possible that different combinations of whether or not getting out of balance with either more or less money in the economy leads to more or less inflationary phenomena. In today's society, however, there is a chronic shortage of money among certain parties in society. These are problematic imbalances and so there is also problematic inflation here. Inflation is problematic because it is caused by a shortage of money, because this problematic shortage of money is not eliminated by the proper management of the system being our society, and also and especially because the problematic inflation turns into growing problematic inflation because that inflation itself already creates even less money precisely where inflation is a problem. The cause of that problematic inflation must then be addressed instead of inflation itself being seen only as a problem. By which I mean that the system or reality we are dealing with is working or dealing with a money system that is incomplete. That incompleteness causes, quite logically, inflation. So the incompleteness must be solved by adjusting the money system itself.

In its essence, our current monetary system does not adequately provide for desired growth of entities in our society. When certain entities grow financially, and therefore in general, it is often at the expense of other entities in society. But in addition it is also true that if money is transferred to process entities in our society, in general this can also be at the expense of the primary process itself. By which I mean, for example, that multiple products and services and also change processes of organizations are taking more and more of our financial resources. At the expense of the primary process such as, for example, the impossibility of raising wages or even keeping them the same when the money supply is not growing sufficiently as it is in the present time. After all, money always has to come from somewhere, of course. Much of the debt-whether public or private-is probably necessary and or caused by the growing need for money for the process itself. In fact, as far as I know, larger and larger amounts are going into circulation between countries. How long this takes does matter, but in addition to that, how much money is involved. All the money in circulation

between entities in this way cannot, at least at that point, be used for the primary process itself. Or will lead to debts whether short-term or long-term.

- Money has several functions in our society. Those functions have increased significantly over time in both plurality as well as interdependencies. We live in a society where the dependencies of money have placed us all in a matrix. And that matrix and its dependencies are obstacles to growth where illogic exists in the matrix itself, as well as where dependence on that illogic increases. As in the case of a financial or economic crisis caused by lack of money. A growing lack of money. Leads to even more detrimental influence of the illogic of our current matrix monetary system and policies.

- Our current money system is a closed system. Not because it has to be, but more because we have made the rules of the game that way and abide by them. Partly because of misunderstanding both of what money is and can be but also because of wrong assumptions and misunderstanding of economic phenomena. Like inflation, for example. The understanding of economics is just too incomplete and fragmented. Economists generally understand only parts of economics and our society, and even that very limited part of what they focus on is often incompletely and in many cases incorrectly understood. They often only understand the "IST" situation, and much less what money and our economy can become by adjusting the system itself but also possibly rules of our economic and monetary system. One should not expect the most excellent solution for our economy from economists. As a matter of fact, that solution already exists, and better cannot be found or created. I am talking about my solution, which should be implemented in our society as soon as possible. From then on, the financial and debt crisis will really be solved permanently. And our economy and society as well as organizations and individuals within this society can grow as never before. Where growth is and should be not so much quantitative, but much more qualitative.

But what it comes down to in its essence is that both financial and social capital (both of which, by the way, are highly interdependent and also affect each other and are relationally linked) are both relational. However, those relationships must be of a right character. And work out and be positive and not negative. In a recession or crisis, especially in a recession or crisis, certain aspects of the economic system are or can be negative and harmful to government, organizations or individuals. But purely excessive dependencies between entities in society can and will also be negative and harmful. Freedom is 1 of the greatest values and qualities of life. Too much dependence erodes freedoms. Which can

and will lead to various harmful effects on capital. Financial capital, but also social capital.

Due to the growth of dependencies between financial entities and also purely dependence on different forms of money. Coupled with the increasing scarcity of money, shortage of money. Have we ended up more and more in a matrix structure within which we all have to try harder and harder and do more and more to get a share of the money. Many of these dependencies did not exist in the past, nor was there, in those days, generally such a severely deteriorated economic situation as is now emerging since 2008. As I write this it is 2012 and governments are doing their best in many ways to get the economy running again and reduce debt effectively. However, the fact is that this really can and will only be successful if my innovation for the money system is understood and implemented. Until then, all actions by governments or other entities within our society will only be forms of fire-fighting. And will not lead to real improvement, on the contrary. And in the meantime, the economic situation as a whole will only get worse and worse. There is no other possibility. For we are now in a spiral that-with the current financial and economic system-can really only go one way. And that is downward being worse. There are, at its simplest, really only 2 possibilities for the future of capitalism and the economies of the EU and the US and also the rest of the world. Being the following 2 possibilities :

1) My innovation for the money system will NOT be implemented. In that case, our economies and our society will only be able to deteriorate. There will be no way up then. Nor will there be until

2) My innovation for the money system is introduced. From then on, the debt crisis is over. But it also means a further improvement and also transformation of not only our financial and monetary system but also our society as a whole. A transformation towards the Excellent Monetary System I created. Which is the best and also the most excellent relational monetary system ever. And the Excellent Monetary System is also a Monetary System of freedom and wonderful opportunities for individuals, organizations and society.

Money should again be and thus become much more particularly a catalyst for growth. I have written elsewhere that money an sich has no value. If we save money, that money has no value. The value we derive from it is purely the value it has because we can get other goods or services for it in the future. Those goods and services, they have value to us. The money itself not so much. But



indeed, because of the rules and agreements we have among ourselves regarding what we can do with the money, and the fact that we can get goods and services for it that do have value, having money at the time we need it does have value. As such, both borrowing money and saving money do have value and are very useful and even essential for continuity of life. However, it is a major problem that in today's times debt has become too large in total but also specifically. And that this is and is becoming the only possible way for more and more organizations and people to survive at all in today's economy and society. What also has to be realized is that even individuals with a steady job sometimes cannot even afford their own house and still end up in debt, while in fact they do not do much really special with the money they already earn. There are workers who even occasionally go into debt or even have to go into debt purely to pay for the necessities of life and not even that lavish of luxuries. That is actually a shame and almost unthinkable in the current times, separate of course from the reality and realization that we are indeed in a financial and debt crisis that is very intense and will remain so (assuming that my innovation will not yet be implemented due to whatever cause). Apart from the fact that in the past it was generally not even necessary to take on debt to continue to meet necessary (basic) necessities of life, whereas in the present time it is. I also think that David Graeber in his book on debt ("debt, the first 5000 years, David Graeber, 2014") could have added quite a bit from an anthropological and economic point of view by stating and demonstrating very clearly that historically, debt did not have to be contracted to the extent that it is in present times in order to (continue to) provide for the really necessary necessities of life.

The knowledge and possibilities are there to really give everyone who works a much better life, where one can just buy their own house and really doesn't have to get into debt or go into debt for that. And if debt does go into debt, that it is then "manageable" and so these debts can always be paid back. My innovation for the money system only increases those possibilities, and it will also dramatically improve the situation of governments and organizations. We live in an interesting time. A time when we can really move to a much better society. However, this requires a transformation of our money system. A transformation in which my innovation for the money system is key. It is the monetary revolution needed to make our money system complete. And also fundamentally creating and creating opportunities for our society as a whole as well as governments, organizations and individuals within it.

The relational being of money in our economies but also the relational being of anything in our economies but also universes can only develop in the most excellent way if this relational being also has the most excellent character and foundation. This is the foundation and character of holopluralistic relational being. But holopluralistic relational being can also be of more or less excellent character. Even also positive or negative. Practicism and meta-semeiotics is aimed at positive energy and positive developments, and that will also have to be its character as much as possible. And this of course also applies to capital, both financial and social capital.

To ensure that our society becomes a lot more positive, the following steps, among others, will be necessary :

- My innovation for the money system must be introduced. This is really an absolute must for our society as a whole
- The interconnections - dependencies - in our society that have to do with money should all make sense and lead to the most excellent possibilities and results. This also means that these connections or dependencies should not be rigid. Should not limit us and others in our actions. OR at least not more than is necessary or desirable.

Those interdependencies in our society that have to do with money are not only dependencies of money itself, but also dependencies due to derangements in thinking. Where some of the dependencies on money itself are the result of derangements in thinking. We are all dependent on money to some extent. However, that dependence increases as money becomes scarcer. Money has long been becoming more and more scarce. This is partly because there is actually less money available per individual and organization but also partly because each individual in our society, with increasing prosperity and/or well-being, generally also needs and consumes more money. So there are in fact in present times two developments going on, being :

- 1) Individuals and organizations have less and less money available
- 2) Individuals need and consume more and more money to (continue to) meet fixed and luxury needs.

For 2) to remain possible, which it must be if we are to continue to grow, it is necessary that 1) be resolved. Which again is not quite the case because in fact luxury goods may well be reduced for some parties with the result that income may indeed go to other parties and perhaps even have to in the future. Reduction of consumption is necessary in some cases. However, overall this will be a lot less necessary and desired than assumed in some circles and by some parties. In fact, the digitization of our society is already reducing consumption. Which may also explain why we can do with less production.

Europe's economies are now not running as well as they did, and some businesses are even shutting down for quite a while. Meanwhile, however, no one is really short of goods or services and there is even still a surplus in that respect. Reducing production is not even a problem consumption and production-wise, quite the contrary. Even now, we actually still produce and consume too much. This can and should be reduced, which is very possible. If we become less dependent on labor to generate income. A decoupling of labor and income is needed, especially for the future of our society and the preservation of natural resources. To a much greater extent than it is today. In present times, anyway, all income is generated directly or indirectly by labor. Which in fact need not be. By means of my innovation for the money system, income can simply be generated entirely, if necessary, without requiring any labor at all. And that is also at once the greatest strength of my innovation. That it is capable not only of solving the global debt crisis, but also of making unemployment completely unproblematic financially and ensuring that workers no longer have to pay for the income of the unemployed. But in addition, workers (by this I mean all those who at some point participate in the labor process in any way) also no longer have to pay for government expenses or pay for care for the elderly and health care. In principle, they no longer need to do so at all because all such expenses can be paid for by income from an external source entirely independent of labor.

## **7. From ontology to act(ion) doctrine, becoming doctrine and creation doctrine - breaking out of the matrix**

Ontology is traditionally a part or branch of metaphysical philosophy. The word ontology comes from

Greek *ὄν* = being and *λόγος* = word, doctrine.

Within metasemeiotics, initiated and created by myself , philosophy and a metaphysical perspective does not exist. Metaphysics is a reductionist and sub-optimal perspective. The alternative, which is a vastly improved perspective, is the perspective of metasemeiotics. By definition, metasemeiotics or practicisim has holoplurism (another creation of myself) as its basis and guiding principle. The guiding principle of metasemeiotics is also what should become the guiding principle for everything. To ensure most excellent unification and most excellent development and growth. Of and for everything.

As such, ontology also does not exist within a metasemeiotic perspective or within metasemeiotics. Metasemeiotics is, in a sense, a creationist methodology and foundation. But metasemeiotics is not creationist science and cannot be subsumed or identified with creationism. Since creationism assumes a different vision that cannot be identified with science. Whereas metasemeiotics, on the contrary, is scientific but also practical, and by complementing the prevailing concepts and perspectives makes an essential contribution for improvement of all sciences and also practice.

Ontology in traditional philosophy means the philosophical study of the essence of being, existence or "the" reality. Surely in this, a certain perspective or perspectives are leading. Ontology is derived from Greek, with onto deriving from the Greek *ὄν*, *ὄντος* and logic from the Greek *λογία*. The last part, *logia*. Stands for science or study or theory. And is strongly determined by the philosophical basis underlying it. Which then strongly determines the outcomes and possibilities of this basis and leads to limitations in terms of possibilities.

That which within traditional philosophy is referred to as ontology, within metasemeiotics should better be called, for example, ontosemiotics. Whereby the meta-semeiotic perspective of practicicism leads to quite different results and also possibilities. While the creative aspect and possibilities play a less prominent or even no role at all in ontology and metaphysics, it does play a more or less distinguished role in meta-semeiotics and practicicism.

An ontosemiotic perspective and ontosemeiotics does not only look at the essence of being or "the" reality as a given. But rather, it also looks much more at and thereby creates possibilities for the essence and possibilities of that which is not yet there. To possibilities. As such, the following Greek words and their derivatives are of interest and value within ontosemeiotics and the ontosemeiotic perspective :

1:πρω - act - prato - ontoprato - ontopratology -semiopratology- pratology

2:πραξη - action - paksi - ontopaksi-ontopaksilogy- semeiopaksilogy- paksilogy

3:γινετε – becoming – ginete – ontoginete- ontoginetology- semieoginetology- ginetology

4:δμιουργια - creation - dimiugia - ontodimiugia-ontodimiugialogy- semeiodimiugialogy-dimiugialogy

In doing so, each issue describes the following: First, the Greek word, then the English translation, then the Greek word in Anglo-Saxon script/letters. Then the combination of onto with this Greek part.

Then, in keeping with the essence and possibilities of the ontosemiotic perspective or ontosemeiotics, I also made combinations of semio (sign) with the 4 Greek words/translation for the concepts of act, action, becoming and creation. Whereby within meta-semeiotics, in fact, the additions of onto and semio may in fact be redundant and even detrimental. Therefore instead of ontosemeiotic and ontosemiotic it might be better to simply speak of meta semeiotic and meta semeiotic or semeiotic and semiotic (where semeiotic and semiotic is by definition metasemeiotic if my practicicism is assumed which is in many ways better than Peircean semiotics). Also because practicicism and meta semiotics by

definition already have the character of also being aware of and investigating the past, present and future in all its facets.

Both pratology, paksilogy, ginetology and also dimiugialogy (a complex and difficult amalgamation, I am obviously aware of that) are part of metasemeiotics and associated semeiology. And all go beyond the ontology and ontological perspective of metaphysics. Also for innovation and sustainability but generally for all sciences and practice, these additions to traditional philosophy and the transformation from metaphysical to metasemeiotic are essential and extremely valuable. Possibilities, as well as understanding what these possibilities can mean for our society and how they can take shape within our society, are an essential and important part of metasemeiotics and practicicism.

However, to properly grasp those possibilities, in many cases a good understanding of the essence of current structures and realities is important. And also their place and possible place and functionality in a relational society.

Structures and realities and ways of organizing must be sustainable and in line with sustainable organizing. In which the human being does not always have to come completely first, but in which the human being should certainly not become too much subordinate to the structures and tools that science and practice offer us or can begin to offer us.

Friedrich Nietzsche wrote the following in his "beyond good and evil" :

“THE REAL PHILOSOPHERS, HOWEVER, ARE COMMANDERS AND LAW-GIVERS; they say: ‘Thus SHALL it be!’ They determine first the Whither and the Why of mankind, and thereby set aside the previous labour of all philosophical workers and all subjugators of the past—they grasp at the future with a creative hand, and whatever is and was, becomes for them thereby a means, an instrument, and a hammer. Their ‘knowing’ is CREATING, their creating is a law-giving, their will to truth is—WILL TO POWER.” (Friedrich Nietzsche , “ Beyond good and evil” , 1886)

If the step is taken from science to understanding science, then on the basis of that understanding actual and most excellent change can take place. As such, the most excellent science must also have understanding and what I call understanding science as its basis. Science then evolves into the ability to really shape society in a better way. This is a form of creation. Which cannot be called pseudo-scientific, quite the contrary. There is good science and not good or incorrect science. But this is not determined by whether science creates more or less. Better science, or at least better social science, must be able to see into the future but also become part of this future or even proactively shape and shape this future.

These foundations and attributes of transformation, change, creation and innovation are also needed and a driving force within practice. In a paper on enchantment I wrote for the 2010 IFSAM World conference on management (W.T.M. Berendsen, " Towards a reenchanting society through storytelling and phronesis antenarrating" , IFSAM world conference on management, 2010)

I wrote, among other things, that enchantment is about "a most optimal fit between holoplurals, not between uniplurals." This is a very fundamental and essential comment and sentence, as much of what I write is fundamental and essential. For change and growth and therefore for society as a whole.

The fact is that our current society is in a transformation. Which is far from complete. But my metasemeiotics and holoplurism forms an important key and foundation for it. And not only an important key and foundation, but it is immediately the most important one. To (be able to) shape this transformation in the most profound and excellent way.

Currently and at this time-the year 2012 and some time beyond-there are many aspects of our society that are based on an inferior foundation. Our financial and monetary and money system are all examples of this. In addition, it is also true that a proper and skillful and most excellent transformation of our financial, monetary and money system is most desperately needed and in addition is also the key to start shaping and enabling a most excellent and most needed transformation of our society.

My innovation for the money system and the excellent monetary system I have created is most excellently adapted to the future. It will complement and transform our current inferior monetary system in such a way that it will then enable a more excellent and grand transformation of our society as a whole and of individuals and organizations. A transformation focused on sustainability and quality of life. This will lead to a peaceful but much needed monetary revolution, which will then go on to enable many grand social revolutions.



## **8. The essence of our current money and monetary system and influence on monetary systems and policies**

I have noted at several times and places in my writings on the financial and economic crisis, as well as more broadly, that essences and foundations are essential. Fundamentals should be as consistent as possible with practice. I talk about foundations because I am talking about essential aspects and also essential perspectives and foundations for science and practice.

In this part of my book I want to go a little deeper and also more specifically into essential aspects and foundations of the current money and money system. And thereby also make the step to what is possible and would be better and more appropriate for the present and future society and individuals and organizations. Where sustainable organizing and a sustainable society must be assumed, which may not always fit and connect with sustainable organizations and structures. And then again it does; it is just how you look at it and how you perceive it.

Of course, a distinction should be made between

- 1) Money and our money system
- 2) Monetary system and policy
- 3) Content and ways of thinking due to the associated or unassociated money system and or monetary policy-making

Where 2) is mostly a resultant and determined by the essences and characteristics of 1). And 3) is, to a greater or lesser extent, a result of and determined by the essences and characteristics of 1) and 2) Therefore, and also because of the essential role money plays in our economies and society, our money system must be complete and in line with the wishes and demands of the future. These demands should be such that the highest possible degree of sustainable organization is sought. And as much quality and opportunity as possible for individuals and society and our earth.

But so what is also a very important point is the fact that our money and monetary system should be logical and complete. If it is not, it leads to all kinds of deranged thinking and deranged behavior in our society. And that leads to all kinds of problems, from spiritual and mental and physical health problems to death of individuals as well as damage and demise of organizations, products, animals and other entities in our society and universes. In fact, our money and monetary system can only be truly complete if our entire individual and collective sensemaking is attuned to it and aligned with it. In which there must be an interaction of force between our monetary system, our sensemaking and the world and universes around us.

That sounds complex, and it is. Especially because it is extremely important that the basis of our money system is set up in such a way that the necessary additions and adjustments of our individual and collective brains, and thus also sensemaking, are possible but also remain possible. And that these additions take place in the most correct and optimal way possible.

At the moment, this is mostly not the case. We consciously or unconsciously often think about things in a very irrational and sometimes deranged way because our money system is not set up in the right way. Those deranged or irrational ways of thinking, by the way, also regularly result from or due to a deficiency in other aspects of our society or in our science or understanding.

But the fact is that the current scarcity of money leads to very many deranged ways of thinking and to very many deranged ways of doing things in our society. Governments, organizations and also individuals are aware of this to a greater or lesser degree, and yet they act in ways that do not conform to what is more logical and right or with which they could identify much more.

What is money and what is money and our money system for? To answer this, it is first important what characteristics the underlying perspective has. For a most excellent and sustainable and great result, this will have to be semeiological and ontologies is not sufficient and even limiting. Especially if too much is looked at current situations and possibilities and the genetiological and dimiugiological aspects and thus possibilities are considered little or not at all. Something that

happens far too much in the present sciences, especially in the social sciences where precisely the geniotological and dimiugiological aspects of semiology play an important function and role. Thus, when looking at what money and our current monetary system is for, one cannot escape looking at it in a critical way. Whereby the question and answer of what money is and, more importantly, what it can be and be, is to a large extent also determined by the understanding of what our money system is intended for and better yet what it can be and be intended for.

When only what money is and has been is assumed, it affects the vision and understanding of what money is fundamentally for- more importantly- what money and our money system can become. This proves, among other things, the current understanding and vision of what money is and what it is said to be fundamentally for. The Utrecht scholar Klaas van Egmond writes in his article "philosophy of life and sustainable politics"- A lecture for the Christian Social Congress 2011- the following : "Money is fundamentally meant as a means to regulate the flow of activities and goods."

I disagree with this, for several reasons. First, a relationship is established here between money and flows of activities and goods. That in itself is partly correct, but much too restrictive and reductionist. In the sense that only one function of money is mentioned and looked at, while there are many more. But in addition, it is assumed here that the role of money is basically to produce goods and activities and that money is less important for the individuals and organizations in society. But, much more importantly, the above description of intent or purpose or utility of money completely ignores the genetiological and dimiugiological possibilities of money and our money system. These possibilities, as I discussed, are also partly contained in how things are defined and understood. What money is and has been and what it is intended for, the mode of understanding about it, directly affects the possibilities and realities of monetary policy and character and content of monetary systems worldwide.

Money is fundamentally meant to regulate the flow of activities and goods. I want to completely abandon this definition of money, for several reasons. First, because money obviously has many more roles and functions in our society. But in addition, a much more general and better definition is much more effective and great. This concerns the following definition of money :

**MONEY IS A CATALYSATOR FOR SUSTAINABLE GROWTH AND DEVELOPMENT**, supporting sustainable organizing and sustainable living.

This definition of money focuses more on individuals and society and less on organizations and producing. In my opinion but also in its essence, money is also meant to reduce or even completely eliminate flows of activities and goods. And money is a catalyst, it is needed in the process but not really consumed. Since the money used simply continues to exist only in a different physical or digital location.

Furthermore, my definition of money supports social securities and improving and optimizing the development of individuals, our society and the world. Something that other definitions of the essence and role of money do not or to a lesser extent. My definition calls for maintaining social securities. And it requires and demands a money system and monetary policy that support and enable this.

Our current money system and thus current monetary policy is not supportive of the role of money as a catalyst for sustainable growth and development. On the contrary. The current (October 2012) situation in Greece shows that EU policy is already having far-reaching negative consequences. One example is the phasing out of social security. Right now, for example, there are cancer patients in Greece who are completely ignored by the social system and thus do not qualify for help from doctors or hospitals. They receive NO care. Something that is totally indefensible both from a human point of view and from the point of view of sustainable growth and development. These are situations that absolutely should not be wanted in a so-called developed society and that the EU government should be ashamed of. And which should be banned from the EU as soon as possible. Truly every EU citizen should be guaranteed good healthcare, regardless of what financial or social situation one is in.

Until 2008, the year of the financial and economic crisis, the EU seemed to be doing well. Our money system and also monetary policy seemed right and focused on growth and development. And to be supportive of it. And then came the crisis. Which, contrary to the most common opinion and assumption, was not

caused by banks or by speculations of various parties. The financial crisis, which in current times is called debt crisis but in fact is the same phenomenon, is a logical result of a serious and great lack of money. This is because entities in our society are growing faster and need more and more money. While in the past the governments have created far too little money or at least by default that money has also gone to the wrong parties. Especially among the unemployed but also workers in the lower occupational groups and lower income classes there is a severe lack of money. It is not normal when someone with a job who works full-time and also works hard and does his best cannot even normally support his family and even with a less than normal spending pattern is still struggling to pay the bills. A situation that now, unfortunately, is increasingly becoming a reality. Also and even in a country like the Netherlands. This is all the result of a severely restricted and oppressive money system and monetary policy. And especially also of far too little money in our system, in our society. But that too little money is also partly the result of the character and substantive possibilities of the current financial and economic system and monetary policy.

A complete and comprehensive money system must not only provide for the daily necessities of life, but in addition it must also provide not only a constant but also sustainable supply of social needs but also so-called luxury needs. In which that luxury certainly does not have to be as grand, and certainly not as grand and lavish as for some individuals in our society. But in our current money system and monetary system and policy, we simply choose freedom for the individual to buy what they can afford, even if someone around the corner or even the rest of the world dies of hunger or social loneliness or because of being completely ignored by. Furthermore, it is simply the case that in our current society we find it quite normal to abuse other people to a greater or lesser extent in order to earn our pennies.

Or is this all a little more nuanced? Are we not helping fellow human beings financially because we don't want to, or because we can't. It seems to be the case that the latter is the case. But what about the really big earners in our society, or the politicians who run and manage our countries and our international societies? If they really wanted to, surely they could at least partially help fellow human beings financially? After all, "there" is a surplus of money, and if there isn't any, surely it can be generated? Or is that also an illusion, and are there also limits to the amount of money one has at one's disposal but even more so limits to the money one can spare?

And then I come back to the concept around which everything really revolves. Scarcity. Scarcity of money, scarcity or lack of sufficient understanding, scarcity or lack of the right methodology and ways to arrive at a more optimal and sustainable solution and society. Apparently, socially or intellectually or economically or otherwise, we often lack the resources or understanding to arrive at an even better way of living and organizing.

However, both my experience and my understanding point to and lead to the conviction, that the key to a better way of living and organizing really does lie in finance. And especially in the elimination of scarcity, perceived or otherwise. Whereby not only present scarcity is important, but also perceived or non-perceived scarcity in the future. A person needs certainty. Certainty that both now and in the future one has at least enough financial resources to live but also to maintain his or her own family and environment. That certainty is not there right now, and in fact is becoming less and less and more uncertain. Nor can we really trust that this is going to improve, and our politicians but also our environment do not exactly give us more confidence in this either. That confidence will only really come when politicians really take steps and actually achieve results in eliminating financial or social scarcity. Financial scarcity is particularly important. Because this is the key to also achieving a much more sustainable and grand result intellectually and economically and otherwise.

Money as a catalyst for sustainable growth and development. There is just about everything in there. It is a complete and also sustainable description. But to make it happen, at least the following are needed being

- 1) Removing scarcity of money in our society
- 2) The decoupling for individuals and families of getting income from performing labor, from production.
- 3) The guarantee of stability in income and having sufficient financial resources at all times for basic needs such as proper shelter, food, health care, elder care, transportation, certain level of luxury, opportunities to keep animals or practice hobbies and sports, intellectual and social development.
- 4) Proper allocation of money in our society, ensuring that as many individuals as possible in our society have enough money to meet their basic needs but also more but in a sustainable manner.

Number 2) is the most essential and important for several reasons. It allows true sustainability to be achieved, but it is also the key to preventing inflation in the future. By no longer being dependent on income and labor and thus producing services and products will no longer be necessary from a financial point of view, it is also completely unnecessary to raise prices of goods or even maintain them at a current level. From then on, the prices of goods can therefore become more attuned and serve individuals and society. Prices can then be lowered even though this will lead to "losses" if this is desired for society or specific individuals. Also at that level, aspects of finance and money and our money system and monetary policy can then be dealt with in a much more logical and sustainable way. It will make much more sense, those ways.

It's all about good sensemaking

And that's it. If the above points become part of our money system, in the sustainable and complete way I mean and envision, then as a result many problems in society will automatically be solved. Money will never again be a real problem, but in addition it will also become a tool and really support sustainable development. Money will then really be a catalyst for sustainable growth and development.

That sustainable growth and development of society will include destruction of organizations or parts of organizations. And destruction of organizational processes, production processes and resources and destruction of production. Especially also because parts of production are not sustainable or do not contribute to sustainable organizing. Even production in itself will not contribute to sustainability in many cases. Production is necessary, but only when it is really needed. And much of today's production will not be, and the need to produce may also decrease in the future. Through better logistics, but especially through innovations in the way of production and also innovations in the creation and creation of needs of people.

The fact that in the future we will have to produce less or not at all to meet our needs for income will already lead to a tremendous reduction in production. If there is less production and thus organizations are no longer really needed, then

that also has a tremendous impact on reduction of production that is related to and required to maintain production. Think of packaging equipment production, machinery production, transportation equipment production, office equipment production.

However, it is of utmost importance that the government will watch over and create conditions for sustainability in various ways. In which the inhabitants of a country also play their role in this. The consumer society and the consumption patterns of individuals and families must also be geared towards sustainability. This includes the following :

- Guaranteeing adequate income to residents of a country at all times, even if one has no labor-related income.
- Not be reluctant or negative about reducing work or even eliminating certain industries or organizations entirely if it promotes sustainability or is useful or desirable for some other purpose
- Encourage the improvement of products so that they truly become more sustainable and promote sustainability.
- Encourage less rapid substitution of products and the sustainable management of the environment, society and social environment and practice

The elimination of scarcity of money together with the subsequent further decoupling of income from operation of labor and also production, makes all this much more possible than in present times. If individuals and society become less dependent on labor and production as far as income is concerned, this automatically implies that less can be produced. Indeed, production is then no longer needed to generate income, but more for what it should actually be for. Namely, fulfilling needs or requirements of or for the consumer. But, more importantly, production should also basically serve only for sustainable growth and development and a sustainable life and society. Whereby those physical products or services produced are not the catalyst, but more the tools and substantive necessities for sustainable development and growth.

That sustainable growth of society can if production becomes less, or better also different. A good example of that different is the fact that production has already



deteriorated in the years 2008 to fact. Not improved, but worsened. While the efficiency of organizational processes improved. And that efficiency can and will get even better. Only, at the moment it is still at the expense of workers and the economy. That last point, coming at the expense of workers and the economy. Does not coincide with the fact that efficiency of production and production processes are deteriorating. Because they are improving. So why is it that workers and residents of countries are getting worse? If in fact the efficiency of production and production processes and organizational processes are improving? The answer is simple, being partly and precisely because of this. While the economy itself must increasingly grind to a halt, we are all going to work harder and harder. Doing more and more in the same amount of time. Efficiency is what it's called. For the same wage we used to earn, we are going to do more and more. With fewer and fewer people. This is at the expense of workers and our economy, and therefore at the expense of our society. The reason is that the benefits of efficiency are hardly passed on to the workers and the economy. On the contrary. In fact, efficiency is detrimental to workers and the economy. Lean production, in today's economy and circumstances, is detrimental to workers and the economy.

Efficiency, at least the current way efficiency is being implemented, leads to a less sustainable economy and is an extreme case of unsustainable organizing. The economy should not grind to a halt, but we should be allowed to. We do not achieve this by working harder for the same pay, or working less hard for less pay.

So what I am saying, and what is a fact, is that lean production or other efficiency methods are detrimental to both workers and the economy. That is the case now, with the current money system and monetary policy. If the current money system and monetary policy is changed, then efficiency will still remain detrimental to workers if that efficiency is not made sustainable. And that sustainable character can only be achieved if that sustainability benefits the worker. For example, if in the future workers are allowed to choose between working harder and then working fewer hours- for the same wage- or working less hard and working some more hours- for the same wage. And if further efficiency also leads to even more pay, for example. Or if the monetary and financial policies and system provide for workers and residents of a country to benefit financially from higher efficiency and other ways of organizing at all times. But of course, sustainable organizing has to do not only with financial, but also with social.

As such, it can be generally argued that workers should and must be allowed to slow down and be slowed down precisely in the present and future times. We should all just be allowed to work at a normal pace, which is less fast and hurried than in the present time. If that is possible, we should just produce a little less or about the same with more people. The economy does not have to slow down. But neither does it need to be faster. Pace of an economy does not matter. It is also about the right rhythm. And both that pace and rhythm should depend not on the economy, but on workers and ourselves. From individuals and groups. The economy is in crisis now but doesn't have to be. If we decouple income and also financial and monetary policy-making and reality more from the performance of labor. Interdependencies need to be much more decoupled in the process. Something that my innovation for the money system makes possible. And with that, it is the key to making organizational processes and organizing truly sustainable, and that by definition means that that sustainability benefits the worker. Organizing and organizations must thereby come to serve workers and society.

If and when my innovation is introduced, as far as finance is concerned, it will no longer matter how much we earn while working. How hard or soft we work. Or how many hours a day. Also, as far as finance is concerned, it will no longer matter for companies whether one makes a profit or not. Whether a container from China is unloaded by hand, or whether it is loaded onto pallets on both the Chinese and European sides and good working conditions for employees in both the supplying country and in their own country.

For a sustainable economy and sustainable organizing, labor should only be performed to meet needs. And money again should increasingly or rather only be a catalyst for sustainable growth. Nothing more, but certainly nothing less either. Money must increasingly serve society and individuals, and the same applies to monetary policy.

As a result of the debt crisis, the EU is likely to set up an emergency fund. Countries will have to pay money into that emergency fund. While the inhabitants of those countries do not have it easy themselves. That money is then lent to Greece and other distressed countries, while there is a much better alternative. Being that the EU does not have money deposited in the emergency fund, but creates money itself in the emergency fund. And then Greece doesn't so much

borrow the money as donate it. With the condition that if Greece gets back into a really positive situation in the next 20 years or positive enough, that they will then deposit the same amount or this amount with interest back into the emergency fund in the future. For example. That way, other countries will not have to deposit money into the emergency fund and therefore will not have to start making cuts as a result of the required deposits into the emergency fund. In that way, it will contribute very much to the recovery of the economy rather than leading to deterioration of the economy and position of individuals in society.

## **9. Value Inflation - Beyond the concept of inflation**

### **Introduction**

Since about the year 2000, I have been working to solve the debt crisis, its root cause. First with insight but also much broader than just related to the debt crisis. This has resulted in the Excellent Monetary System I created. This Excellent Monetary System is the most optimal and best solution to the global debt crisis, and also falls into place in an almost unreal but fully realizable short time. Indeed, with my innovation for the monetary system-which is an adaptation of the current monetary system and will ensure a transformation to the Excellent Monetary System-the debt crisis can be completely solved, ended, within 1 day. Not all countries will be competent and/or able to actually accomplish that within 1 day, but among others "my" country the Netherlands is in that position. Also Germany and probably France and in any case also the United States of America are in the position to apply my innovation for the money system and also within 1 day. If only 1 of the governments of those countries actually does that, it means ending the global debt crisis within 1 day. Not for just their own country, but for the whole world. The debt crisis will be over from that moment on. Completely solved.

Another much more far-reaching result of my innovation for the monetary system is even greater. This is because the Excellent Monetary System also supports a sustainable development of our society in the most appropriate Excellent way. Transition to the Excellent Monetary System therefore means at once a transformation to the Excellent Monetary Society. Which further supports a further transformation to an Excellent Social Society. Further Excellence in "the social" is far, far more important than further Excellence in "the monetary/financial." But the point is that social and financial capital are strongly linked. And that the current monetary system and thus policies do not promote a social society and, in fact, in many areas completely hinder or even destroy it. The only way to create social freedom and quality to a more excellent degree than in the past is through the creation and support of financial freedom. The Excellent Monetary System does that in the most wonderful and excellent way.

### **The underlying perspective for better understanding**

To come to a better understanding of the debt crisis phenomenon and what is involved, it is important to look at it in the following way. Capital consists of financial capital and social capital. Both financial and social capital come in many varieties, capacities. And multiple forms. Although social capital is generally much more plural and multiple than financial capital. The reality around us consists of entities and processes. Those entities can also be called objects, in which case living organisms should also be seen as objects. All these objects are dynamic. We then call that dynamic "process" and objects or entities are part of dynamics, the processes. Both financial and social capital are increasingly distributed among a growing number of processes and entities in the present age. This also means that the proportion of social or financial capital that is or can be available to a given process is generally decreasing. To proportions that may or may not be problematic. Processes and entities all need some share of social and financial capital. To exist at all, or to continue to exist. Abundance of total financial capital or total social capital (total capital to be distributed among entities) is not a problem, nor is abundance of local financial capital or local social capital (capital available to specific processes or entities). A shortage usually is, to a greater or lesser extent. Local shortages should not be "solved" by creating local shortages in other places or moments in time. Something that does happen in the past and currently, and even increasingly so. This is because there is a growing shortage of total financial capital, and therefore of local social capital. Indeed, to make up for or temporarily reduce the shortage of total financial capital, more and more deployment of social capital is needed.

## **The problem inflation**

When I communicate or want to explain my Excellent Monetary System to others, all too often the question comes whether the Excellent Monetary System will not lead to inflation. I then say that this is not a problem at all. And that I have described a few things about inflation in the past that already show that inflation is not a problem within the Excellent Monetary System. However, what I have already written about inflation is then often not available. Furthermore, what has been written may not be sufficient to give people sufficient understanding to see that inflation is actually and indeed not a problem at all before the introduction of

the Excellent Monetary System and when the Excellent Monetary System is a fact. In the text that follows now, I hope to explain that sufficiently. The previous texts I have already written on inflation are for the most part on my account / web page at [www.academia.edu](http://www.academia.edu). They can be downloaded there. But hopefully that is no longer necessary after reading the now following text, and leads to sufficient understanding that inflation within the Excellent Monetary System is not a problem and will even be much less than in the present time. Because in the present time it is the case that a lot of inflation occurs without being sufficiently noticed or named by the government or economists. Something that will hopefully also become clear while reading the now following text.

## **What is price inflation**

Price inflation-or what economists and the news and the like commonly call inflation-means that less can be bought with the same amount of money. In other words, more money is needed to buy the same thing.

If the number of money units in circulation increases and the supply of goods and services decreases, a situation is created that can lead to inflation. If this number of units of money in circulation decreases and the supply of goods and services increases, it can lead to deflation. These are possibilities. However, whether it actually happens also depends on more factors. Economic developments in recent decades prove that.

That the logic of inflation and deflation has worked in reverse in recent decades is because our monetary system-our money system-is not logical but even illogical and destructive, harmful. Also because organizations do not understand enough of the relational requirements for our current monetary system to work properly. By this I mean that the monetary system-our current money system-may not even be that illogical but that it becomes illogical in society because organizations and individuals in our society simply do not "work" and "act" the way the current monetary system or system expects "us" to. I will come back to that later. But with the statement that inflation and deflation have worked in

reverse I mean that inflation and deflation do take place but in a completely different way than economists currently see and understand. That misunderstanding stems from a too narrow understanding of the phenomenon of inflation but also therefore because our current money system and the current monetary policy-making and actions of governments and organizations and individuals do cause inflation and deflation to develop logically in that context, but these developments are in some ways opposite to what economists "understand" and think they "see" with respect to inflation and deflation in society.

What is interesting is understanding about what "money in circulation" actually means. Whether this is money for consumption and production, and whether or not it includes money set aside by companies and governments or other organizations or by individuals (for whatever purpose). And how these reservations have developed recently, especially also after the emergence of the debt crisis. In fact, after that debt crisis, more money was set aside by ECB and the like for banks and perhaps governments. That money obviously had to come from somewhere. And given the current monetary possibilities, it could only come from 1 place, namely "from" the economy and "from" workers and citizens. While precisely "the" economy and "the" citizens needed and need MORE money. Entities (including processes) need MORE money and NOT less as is happening now.

## **How is price inflation measured**

A number of products are commonly taken to calculate inflation. These are (almost) the same products each time. Of those products a certain but also each time the same number of products consumed/purchased per year. This is then multiplied by the prevailing price in that year. And then we look at the difference in the total amount in different years. When that total amount increases, inflation is observed ; after all, more money is needed to buy those particular products in those numbers.

So these are averages. And for a certain number of products and certain specific products. It is very relevant to know what products these are, but also to understand exactly how the calculation works and how it should be understood in

broader social and economic perspective. But what is often even more important than the WHAT of inflation that the inflation figures thus look at, is the HOW .... how these differences in years arise , what are the underlying causes of these differences. I personally think my understanding is that the fact that wages have not been adequately adjusted for inflation rates in previous years is a major cause of inflation arising in subsequent years. But there are other causes of inflation, such as rising commodity prices or other price developments. And inadequate relational price awareness and resulting relational price development(s).

## **Trends in our society related to inflation**

Inflation is currently mostly seen as a non-relational phenomenon, or there is insufficient awareness about the characters and many aspects of relational value inflation. There are quite a few trends in today's society that are related to inflation. To name a few

The trend that more and more must be done to earn a certain income. And that less can generally be bought with this same income.

The trend that social-relational developments in society are causing individuals to be expected and demanded precisely to buy more and more. The social demands are becoming greater and higher, but also a higher awareness and desire for quality requires that more be done and thus spent to continue to meet increased quality standards.

Training requirements from employers but also for the adequate and proper performance of certain jobs and labor require higher levels of education and skill from workers. As a result, the general education level of the population is rising. Despite the rise in the general level of education, there are more and more highly educated workers who have to work below their level because no work is available at their own level. Especially at lower levels, a lot of work is done on a temporary basis. That share has increased in recent decades, and will probably only increase if no action is taken. Which need not be a bad development but in most cases it is. Especially since these temp agencies keep a relatively large portion of the hourly wages paid by companies for these workers themselves and do not pay/pass on to the temp. Temporary workers should earn MORE than



regular workers because they are more flexible in terms of deployment and employers have fewer obligations. Besides a higher gross hourly wage, temporary workers should also receive regular fringe benefits and rewards in the future. Such as a 13th month and also profit distribution and the like. Those rewards are and were given to permanent employees in the past and present. But the proportion of permanent employees has decreased significantly. That does not mean that, as in the present time, the more flexible temporary workers do not deserve a 13th month and profit allowance. A 13th month should become a standard part of the compensation of temporary workers where simply that 13th month benefit, if any, is divided by the number of working days per year times the number of days the temporary worker has been employed by the company in question. So that even a temporary worker who works only a few days or weeks at a particular company still gets a portion of the 13th month's pay added to it. Just as a permanent employee who is laid off just a few days or a month before payment of the 13th month should be entitled to a proportionate share of the 13th month pay.

The measurement of inflation generally looks only at expenditure inflation and takes little or no account of inflation on the income side - income inflation , income reduction.

In fact, at present, spending inflation is not completely calculated and mapped and understood. While income inflation is not taken into account but in addition is not understood at all. Complete minimum incomes are still assumed while in many and increasingly lower income groups, workers have to settle for less and less income. This is due both to the drop in actual hourly wages and the loss of fringe benefits, higher expenses for commuting to and from work, and the loss of profit sharing and the like. But in addition, more and more people are able to work fewer hours per month and are also unable to get or arrange a supplement through additional work or additional allowances or benefits. After all, those additional supplements or benefits are still based on the belief or thought that everyone can get a full time or at least reasonable income. However, this is less and less the case, especially in the lower income groups, because they consist, especially or at least in the Netherlands, more and more of students and young people who live with their parents and get few hours and can only make ends meet because they still live with their parents.

## **How do companies and other organizations deal with pricing that leads to inflation**

It is interesting to look at WHY prices rise when money quantities remain the same or fall or rise. But also HOW companies deal with those price increases. By which I mean what they do with the money they get extra-or not-by raising prices. And how increases or decreases in wages relate to increases or decreases in prices.

In many cases it will be the case, in practice, that there is absolutely no relationship in increase or decrease in wages at a particular company relative to increase or decrease in prices. Something that, in some cases, does seem odd. And also illogical and damaging to individual workers as well as the economy and society as a whole.

This harmfulness to the economy is present and increasingly so because there is an increasing shortage of money in our economy. Individuals and especially individuals in the lower income groups have less and less money to spend and are becoming increasingly short of money. Meanwhile, prices are generally even now only increasing, while also now minimum wages generally and also individually are only decreasing. Because temporary workers in particular (an increasing share of the labor force) can work fewer and fewer hours and are also kept at the lowest possible wage via "clever" (and partly antisocial) handling of the collective bargaining agreements for temporary workers and other tricks of temporary employment agencies. In which a 13th month and profit allowances are also generally not paid. Meanwhile, the staffing agencies themselves collect between 18 and 25 euros per hour per temporary worker and generally pass on only half or less of that as gross wages to temporary workers. So only a relatively small portion of the amount received is also used to pay pension premiums for temporary workers and taxes to the state.

A concrete example is companies that in present times of declining employee earnings and decreasing amounts of money in circulation, still raise their prices.

And pass no part of that price increase on to employees. While their sales are not falling. When sales are falling, price increases are justified, in some cases, to keep equal or sufficient sales. But there are all too many organizations that just keep relatively steady sales. Raise their prices anyway. And don't pass much of that on to the employee

Also relevant to mention is the fact that temp agencies and companies are giving workers less pay per hour but also fewer hours per week at a time when prices are staying the same or even rising. This obviously has a detrimental impact on the economy, but also due to even declining wages per hour and overall, less taxes are also paid to the government. .

A very glaring and anti-social and reprehensible example is health insurance. While there is a crisis and more and more people are struggling to keep paying their bills anyway, health insurance companies routinely raise their health insurance premiums. Meanwhile, whether in collusion with the pharmaceutical industry or not, they continue to reimburse the more expensive drugs prescribed by doctors. While those same doctors are motivated not to prescribe cheaper alternatives to their patients. Those more expensive drugs do eventually have to be paid for from the health insurance fund. And thus lead to the fact that everyone has to pay more in health insurance premiums. Which is too high anyway because health insurance companies are supposed to be nonprofit but in the meantime make high profits.

## **How do people deal with inflation**

The word inflation is mentioned a lot and easily, almost always with total ignorance of what they are talking about at all. Even in theorizing about inflation, a very one-sided and concise "reality" is created in a very one-sided way that can never be real and also leads to completely wrong "insights" and a completely wrong understanding of what is happening or can happen in society.

Thus, "understanding" inflation is always based on assumptions and models that completely ignore the relational dependencies of entities and processes in society.

Seeing HOW people deal with price inflation is fascinating to say the least, but in the process incredibly relevant. And especially which goods or services are affected.

What then immediately stands out, or MUST stand out, is that in the present time individuals in the Netherlands are already cutting back on health insurance. While this is a really important basic necessity of life. And this is about security. Certainty for health. Something people don't exactly cut back on easily. That they DO, has to do with the fact that even people WITH a "full" job don't even have enough money anymore to pay for health insurance, expensive or not. Because of increased prices, but also because of decreased incomes.

It makes quite a difference whether an employee is a permanent employee or, as is more and more the case these days and especially for the lower income groups, works through a temp agency. In the latter case, the employee in most cases lacks fringe benefits such as a 13th month but also profit sharing and other perks that are in fact much needed especially also for the lower income groups. But furthermore, temporary workers, especially in the current times, generally make fewer hours than permanent employees. And on top of that, only those hours are paid by an employer who keeps a large part or even the vast majority of what is paid from the client for an employee in his own pocket and does not "pass on" to the temporary worker or to the government through payment of taxes. Therefore, the gradual and, since the crisis, accelerated replacement of permanent workers for temporary workers means-among the many other negative effects-an accelerated reduction in remittances of tax money to governments. But temp agencies are also even more creative and, unfortunately, more effective at keeping temps' incomes consistently low. This is in fact 1 of the biggest causes of maintaining and even worsening the economic situation in the Netherlands and other European countries and thus worldwide. But not the real, underlying cause. That real, underlying cause is a BIG lack of money in our economies. A lack of money to do what we are currently realizing and "delivering" in these economies. However, this should not and cannot be at the expense and on the backs of (incomes of) individuals, workers. By cutting back

on labor in order to free up money to make and keep "the rest" possible. In the longer term that, of course, does not work. AND the long-term damage of this narrow-minded and deranged way of doing things is incalculable. The only way to prevent AND repair that damage as much as possible is to introduce the Excellent Monetary System.

By the way, care is an entirely specific case when elderly care is also considered. Certain groups of the elderly, if it were up to the current government of the Netherlands, would not even receive care in the nursing home in the future. Despite declining wages from lower incomes, health insurance companies have only increased the cost of health care insurance in recent years. The efficiency of the same health insurance but also hospitals should have increased and should increase even more. Hospital staff and other health care personnel are seeing wages drop and being laid off. The nonprofit health insurance companies are making more and more profit. And yet here, then, even more cuts must be made at the expense of an extremely vulnerable group of people. And "we" pay more and more health care premiums while getting less and less in return and with the prospect and knowledge that both the government as well as the health insurances consider money more important than people and if necessary would rather put elderly people out on the street than seek a social solution that may cost a little more money.

Thus, in addition to the problem that inflation as a concept is itself too one-sidedly defined, there is also the general problem that the concept of price inflation is not understood and explained relationally. Thereby it is not "just " that there is a wrong relational understanding, but also a complete lack of awareness that inflation would be or is relational at all. To some extent, that realization does seem to be there, but in the description and measurements of inflation, it hardly shows up if at all. And if it emerges at all to an extremely small degree. There are far too many aspects and processes that are NOT considered. Perhaps also due to a completely wrong underlying perspective.

In terms of the relational, for example, the distinction between complementary goods and noncomplementary goods is already missing within the concept of inflation. Further also, resulting from this, HOW consumers deal with the difference in character of these goods. In general, but also in relation with and to

inflation. And in relation to the compulsory or non-compulsory purchase of other relationally complementary or relationally non-complementary goods.

The relational function of goods or services also plays a very large role. By which I mean both financially relational as well as socially relational. And I think it is good to notice and realize that more and more goods and services in our society have or have acquired a financial relational character. These include the function of luxury goods but also the importance of social media and complementary products. But also the car and fuel for this car. By increasing fuel costs but also by increasing both work and social traffic, the financial relational character of the car and also of fuel costs has increased. Added to this is the fact that employment agencies, in addition to paying the lowest possible income, also give low mileage allowances to the workers they themselves place further away from their homes. With or without the approval of those same temporary workers. As a result, these workers who already earn or get paid too little in any case, also have to add on commuting.

An example of socially relational goods are a good education, mobile phones, computers, as well as luxury goods such as a car and vacations. But an increased turnover rate of goods is also due to social relational aspects and less to functional relational aspects. While the lifespan of many goods is only increasing, those same goods are being replaced in an increasingly short period of time. Look at cars but also other goods. Lower incomes have less to no opportunity (financial resources) to go along with this, but do so in part due to social relational motivation. This social relational motivation also plays into the use of mobile phones. Nowadays, even among the lower income groups, you have families where almost everyone has a cell phone. Those cell phones are getting more and more expensive, but mobile subscriptions are also getting pricier. And these are costs that recur every month and thus must be paid.

## **Inflation- the phantom of the opera**

Reductionism of the concept of inflation and what is included and what is not. What Peirce calls firstness and not the HOW people deal with it.

Health care costs as an example; the fact that more and more people already cannot afford that basic need. Now it is true that more and more people are saving for it but coming time even there more and more people will drop out. Because they can't afford it anymore because of the derangements of the monetary system we are working with now. And the derangement that monetary policy is also conducted with, among other things, the misunderstanding and also completely irrelevant aspect and notion of inflation.

## **Value inflation--a broader concept of inflation**

I have already indicated through various reasoning and examples why and that the (financial) concept of value of our time is highly reductionist. And, also for this reason, highly harmful especially if the government or other organizations align their policies with it.

The financial inflation concept of our time is reductionist because:

It is based on a wrong perspective that a) is too one-sided and b) highlights or overemphasizes wrong aspects of reality

It (also for this reason) is really in far short supply of relational and relevant insight. It is itself the case that the (price) inflation understanding just leads to a lot of harmful misunderstanding and also harmful policy making. Something this text hopefully makes more clear.

This is evidenced in part by missing the following in the inflation concept :

- Housing prices and prices of gasoline and fuel
- Allowances for travel expenses to staff
- The (increase) of health insurance premiums
- The (rising) cost of (mobile) telephony and Internet use

- The interrelationships between different goods and services and the importance and utility of using these goods and services. Costs for necessities of life are more critical and less avoidable than other costs and expenses. Although, unfortunately, it now appears that even dental and general health care costs, as well as clothing, can be saved considerably, even to the undesirable levels seen in current times.

But even when these things are added to the inflation concept, it is still too reductionist. Because the financial inflation concept does not include social inflation as well as commodity inflation.

Therefore, I hereby introduce the concept of value inflation. Value inflation then is the combination of inflation of "the financial"/money, inflation of goods or services themselves and also inflation of the social. Furthermore, also the connection and interdependence between financial inflation, goods inflation and social inflation.

By inflation of goods or services I do not mean inflation of new goods or services or goods or services at the time of purchase, but inflation of goods or services that have already been purchased. But also, therefore, the inflation of buildings and other real estate that have been purchased in the past or that will be purchased in the future. And how the value of these goods and services evolves over time.

When it comes to price inflation, economists only look at the cost of new products when they are purchased. However, what is not monitored and, to my knowledge, there is absolutely no oversight in this. Is in the value inflation of goods and services that have already been purchased.

In the past, many goods were bought and then kept and over time became more valuable sometimes. One can think of special and valuable products that are fewer in number or no longer available. However, what can be seen now is that many of these goods, especially because of the crisis, are not worth much anymore. So they cannot be sold and if they can be sold then at a loss. Because the value of the goods may or may not have decreased significantly compared to



a few years ago so perhaps also compared to when they were purchased. Of course, one must look at the average, but there is a general trend that all goods that are being or have been purchased are declining in value. And if at all, they are generally declining in value at a faster rate than in the past.

The "special" ownership of various goods seems to have declined over the years compared to the past for several reasons. This is in part financial value inflation of goods, but it is also in some sense social value inflation. Or also relational (social) value inflation because there are just so many goods that the specialness of a specific good decreases. Because of the multiplicity of goods and products available, the individual value of individual goods decreases.

However, this decline in values also has a consequence, great or otherwise, on value inflation of goods and thus on the economy. People get less money (back) for the goods they sell and thus have less money available to meet their expenses or to buy new or different products.

In general, everyone also has more than enough stuff, that's not the problem in Western countries. The problem is being able to pay the current expenses. Whereas in the past that was much less the problem because there was a better balance between income and expenses but also because there was much less inflation than there has been especially in the last few years. It is precisely during the last few years, the years of the financial and debt crisis, that inflation accelerated and increased. However, this inflation was of value and not measured or noticed by economists and governments, the state.

## **The current situation regarding inflation for specific individuals**

If inflation is seen as the fact that less can be bought with the same amount of money. Then it matters quite a bit whether in that situation someone has more money or indeed the same amount of money or less money. In the first case, the person in question either improves or the situation remains the same for that person. In both other cases, the person in question loses out.

In the current situation, the year 2013 and the debt crisis. Are most persons going down in terms of wages. While prices are rising. Less can be bought with the same amount of money. But most people do not keep the same amount of money but actually go down. So the inflation for these particular persons is even more than the average inflation. This is especially true for lower-income earners who sometimes see their income dramatically reduced.

The impact of inflation is greatest on lower incomes. Those notice it right away when their wages drop especially if it is linked to price increases of products. It is very bad that inflation is not understood especially for the lower income groups because these are the groups most affected by any inflation.

Value inflation has been taking place in our society for a long time and on a much broader scale than is understood by governments and "the general public." Measuring is knowing but then the right thing must be measured. And even then, measurement alone is not understanding. A much more comprehensive understanding of what is going on requires a much broader understanding of both inflation and the economy and society as a whole. And quantitative measurement tools and moments do not suffice. Much broader and more extensive qualitative research is needed for this, and above all, good communication with and listening to relevant stakeholders. Ultimately, qualitative research is about learning to communicate, listen and interpret well. In a critical manner. In which the right methodology and especially underlying perspective and sense making is also used and applied.

## **10. Why inflation with and within the Excellent Monetary System will not be a problem**

Inflation will no longer be a problem in and within the Excellent Monetary System, quite the contrary. Price inflation will not be a problem, but neither will value inflation. Another word for inflation is reduction, and another word for value deflation is value increase. Once the Excellent Monetary System is in place, there will be multiplication of value(s). Increase in the value of financial and social capital. In many ways.

This is caused in part by the following :

Within the EMS, taxes on goods can be reduced as well as excise taxes on gasoline. People then also have to pay less VAT and also pay less for fuel. This leaves more for other goods and services while they too can drop in price.

The incomes of especially the lower income groups will generally rise. Consequently, any price increases that do take place for other reasons will still be able to be paid earlier and better and more easily than in a situation where the Excellent Monetary System has not yet been or will not be introduced.

With the EMS, more financial buffers and opportunities can be created to allow individuals and organizations that at some point cannot meet their financial obligations to do so or even "just" meet those financial obligations from a general financial source. Possibly without the individuals or organizations in temporary financial need having to repay the amounts paid in the future. It is then "just" a gift from a general economic and social interest.

From the website <http://www.ftm.nl/exclusive/inflatie-btw-en-de-cijfers/> I borrowed the following text :

" First, housing prices are not included in the consumer price index. Only the 'theoretical rental value' is included in the basket of consumer goods. Had house prices been included in the price indices, inflation would have been considerably

higher before the crisis and considerably lower after the crisis " ( <http://www.ftm.nl/exclusive/inflatie-btw-en-de-cijfers/> )

To this I have the following addition. Inflation with house prices included was indeed higher before the crisis and lower after the crisis. But that must also be related to actual inflation adjustments (based on inflation rates WITHOUT housing prices factored in) but also to rising home values BEFORE the crisis.

As we all know, housing prices went up significantly BEFORE the crisis, from which all homeowners benefited significantly. AFTER the crisis, house prices have fallen (which, by the way, they did for a while BEFORE the crisis) which has led to declining house prices that hurt both then owners as well as those who bought or are buying a house during that time period or after. After all, the largest share of equity becomes worth LESS.

Added to this, however, is the fact that in previous years wages for lower income groups have already been adjusted far too little in line with actual inflation to make it possible to buy houses at all or to obtain a sufficiently high mortgage to purchase a house at all. This is partly corrected when house prices are lowered, but by no means completely. Indeed, house prices remain considerably higher in relation to relatively low wages for lower income groups than they have been in the past. Added to this, however, is the fact that in present times, especially as far as lower-income groups are concerned, although house prices are falling, incomes are also falling significantly due to lower wages from temp agencies but also due to fewer hours that one can work. This together, in more cases than is realized, causes the actual drop in certain individual incomes to drop even more than the drop in housing prices. And then added to or on top of this is the fact that IF a house is then purchased, that house is only going to become worth LESS and NOT more in the period AFTER purchase.

Furthermore, it is of course very important whether or not one (must) use certain goods or services. If one is more and more sort of obliged to use certain goods or services then that can put quite an increased burden on total incomes. Thus also and perhaps especially lower incomes have had to deal with increased spending on :

Education costs (the pressure and also necessity to study has only increased)

The phone costs I already mentioned; mobile telephony and the fact that today every family member has a phone almost unlike the past

Cost of commuting; having to travel longer distances and especially in present times high fuel costs. On the other hand, one is generally reimbursed just less for these commuting costs

## 11. The logic of relational inflation

I begin this section of the book with a bit of text which may seem theoretical or at least "vague" to most. I do this because it is part of my other works/writings on meta-semiotics. Meta-semiotics or meta-semeiotics is inferior to, transcends, semiotics as developed by Charles Sanders Peirce. Meta-semiotics was developed by me and is actually the key to connect science, practice and logic. To unify. However, it is NOT theory, for I do not and have never done theory. Theory I see as something different from practice, from that which exists and is possible in our society. That difference is mainly caused also by what I am now going to describe here and what I have called meta-semeiotical insignificance. This is an English term and so meta-semeiotic does not sound familiar and can also sound "vague." But so I try to explain it partly here and for those who want to know more about this I refer to other texts of mine on this subject. The meta-semiotics developed by me is also ready to be implemented, just as my Excellent Monetary System is. But meta-semiotics also needs a broader explanation based on a book, and further elaboration and improvement in the details is still possible. But also as far as meta-semiotics is concerned, I hope it will be used relatively soon. Meta-semiotics will dramatically improve our sciences and therefore society. It is THE methodology and way of looking at things in order to really understand and thus improve EVERYTHING.

Really everything in our society, universes and society must be considered and also understood from a relational point of view. As far as this relational way of looking is concerned, there are obviously many, but there is only 1 the correct and most excellent one...being the most optimal methodology and way of looking based on most excellent holoploristic/meta semiotic understanding. Every other way of looking leads to what I call Meta semeiotical insignificance. Meta-semeiotical insignificance is a representamen that stands for sign-related misunderstanding created by considering only part of the possibility or possibilities, often also from a wrong perspective and assuming an underlying structure that is not there in reality. I have called this meta-semeiotical insignificance arising from the term statistical insignificance. That term refers to errors in statistics that result from considering only part of the population. Meta-semeiotical insignificance also arises because only part of something is considered. (Deirdre Mc Closkey, " the Cult of Statistical Significance: How the Standard Error Costs Us Jobs, Justice, and Lives (Economics, Cognition, and Society)." , University of Michigan Press, 1st Edition, 2008) . Although this is not

about less of the same, but less of something that in its reduction is different from what actually is or can be. Also, this meta-semeiotic insignificance is not only a semiotic insignificance but thus a meta-semeiotic one. By which I actually mean that any insight that is not complete enough but also not meta-semeiotic in character and origin, that ALL such insights are meta-semeiotic insignificance.

Inflation must take into account supply and demand. But also overcapacity or undercapacity. And also with desired income of workers and labor costs and other costs. The break even point situations of companies and organizations and citizens. In relation to how much money is available in society.

However, what is also important in relation to inflation is the essential question of "how much is enough?" I also address this question in another part of this book, and is of course also related to inflation and the Excellent Monetary System. But what is mainly important to mention here in connection with this question is the quantification of an important part or the most important part of the "how much is enough" story. Namely, the fixed cost of basic primary needs. These basic primary needs are mainly costs and opportunities for housing, transportation, health, leisure (private pursuits), education costs. Such as mortgage costs and opportunities, road taxes, health care costs, costs of theater and arts and entertainment and sports. And then, of course, education costs and opportunities. The government CAN affect all these costs and opportunities tremendously. Especially also with the Excellent Monetary System. In fact, I have already taken this into account in terms of monetary policy proposals. In its essence, in terms of costs, the EMS can make anything possible. It is the key to ensuring that truly everyone can meet and continue to meet all basic needs without difficulty. And for that, therefore, an unconditional basic income is NOT needed, and this unconditional basic income is not needed at least in the near future and I expect also in the future, but most of all undesirable.

In the past, it was true that there was excess capacity. Farmers during the Great Depression produced more and the price did indeed go down then. Because there was more supply for the same demand. But the price also went down because there was no more money to buy more and the demand could not go up because it concerned basic goods of which one would not produce more (much) anyway but less if the price would go up. And if the price went down people would not produce more either, so this was a problem. There were also fewer

products and services (including financial services!) to distribute money over in the past (during the Great Depression and certainly also at the time Milton Friedman drew up his theories about inflation). In the present time, there are more such entities (products, services, pursuits, other processes) to distribute money over. But of course, when money is distributed, what it yields is also considered. In terms of financial or social capital. As far as financial capital is concerned, sometimes more can be earned-and often more easily-by investing it in financial services rather than in production or distribution. At least this is true in the current era (2014) with the current monetary system. Furthermore, at the time of the Great Depression, there were not so many houses and other luxury goods that are expensive. Mainly houses, as everyone knows, rose in price and even became unaffordable for many due to low incomes and comparatively high fixed costs.

In the current situation/time, most companies are in (huge) overcapacity. The price of goods is generally high because if they get even lower the costs cannot be paid. That is, most companies are already around or even below their break even situation (if they lower prices even more they will end up in the minus or even go bankrupt). If MORE money comes into the economy the demand will increase of some goods (NOT the basics where even less of them will be used or also luxury or normal where also less of them will be used!!!) but that increase in demand will generally NOT mean or need to mean an increase in price generally. The organizations will simply produce MORE and therefore make MORE profit even at the same price.

Derrida already understood - I think - that "everything" is already in the text. This expresses itself in 2 ways:

1) Phenomena are really already in "the text" without people sufficiently realizing it themselves.

2) Phenomena are not yet included in "the text" but precisely because they are not yet really included in it, but are available in the broader "text" in or from other universes, "the text" is illogical and somewhat strange or detrimental to certain parties. That illogic or detrimental aspect can be removed by then making "the text" more complete by adding these phenomena or aspects to "the text."

The 1) and 2) I mention here are, of course, sometimes related. As for inflation, it is worth noting that this phenomenon is already in "the text" without people themselves realizing it sufficiently. To know in present times especially in the increase of house prices of the past decades.



But, in addition, there is also more or less evidence that an uncontrolled increase of financial capital and also a considerable increase of it (much more money in the economy) does not lead or need not lead to problems. In fact, that increase has been there for several decades without people realizing it sufficiently (thus an example of what I mention at 1). I am talking about fractional reserve banking and the impact that has had on the money that has come into circulation over the past few decades. That increase in money has only been incredibly good, and really should have been more so. The problem with this situation was and is NOT the fact that more money came into circulation (on the contrary, because MORE money is needed with growing prosperity and more diversity and more people!) but rather the fact that MORE debt came into circulation. And even those debts are also NOT the main problem, but rather the fact that they were and are a) seen as a problem and b) the developments in the labor market and wage developments that no longer guarantee income security or even completely destroy it.

Most of the money that came into circulation in the Netherlands and the US and, I think, in most countries in Europe in recent decades came into circulation because there were more mortgages and higher amounts of mortgages. More money came in and house prices also increased. But, that increase in house prices was not so much directly caused by the increase in the amount of mortgages. House prices rose for other reasons, and as a result, the amount of mortgage lending had to rise. In the Netherlands, 1 of the causes of higher house prices was the increase in the cost of building land. This together with higher wages and the like caused part of the increase.

What is also interesting, however, is the fact that in the longer term the increase in prices will thus be readjusted...partly also because prices are thus too high relative to wages. But also if and as soon as wages start to rise again slightly more or incomes get higher, house prices will most likely not rise proportionally. Especially if land costs do not have to rise explosively or disproportionately compared to the past. Or if the already available houses are already sufficient or more than sufficient for the coming years. That situation is likely to occur in the coming years in the Netherlands and perhaps in other European countries or in the United States

## 12. Beyond inflation

A broader definition and view of inflation

In various parts of this book, as well as in other texts of mine, I have already addressed the concept of inflation in various ways. Inflation if and as soon as the Excellent Monetary System I created is implemented will no longer be a problem for society. In that respect, inflation will then truly be over. In this part of my book, however, I again go beyond the concept of inflation by addressing the misunderstanding of inflation caused mainly by incomplete theoretical concepts about it, and try to supplement it where necessary. In doing so, I also mention a phenomenon of inflation that can be described as Break Even Point Inflation. This is a form of inflation that is not yet mentioned in the theory or understanding of inflation, but which plays a prominent role in the present time and within the present monetary system. If and once my EMS is in place BEP (break even point) Inflation will play a much lesser or no role at all. Just as other forms of inflation will then play a much lesser role and certainly will not be or need to be problematic once my EMS is in place.

Inflation often refers to a general definition and understanding of inflation, where inflation is viewed as monetary inflation or price inflation. Monetary inflation means that the money supply increases.... Or price inflation, where the general price level increases. In general, inflation would mean that with an increase in the money supply, prices would rise more than wages. Which then creates a negative result for families and individuals who want to buy something.

Monetary and also price inflation are more specific economic notions of inflation. However, it is obviously questionable whether these notions or theoretical representations of inflation occur in reality.

In addition to all this and the many criticisms I have already given about the definitions and ways of measuring inflation in society, I would also like to note that inflation is often looked at mainly on the expenditure side. What is forgotten is the income side. By this I mean that the income side of inflation is often overlooked. If income is looked at at all, it is often also a part of income and not

all income. Just as current measurements of inflation also only consider a limited portion of total expenditures, and the most relevant expenditures are not even included in those measurements.

In today's time, it does not make sense for prices to rise when the money supply increases. Because if the money supply increases, then companies can sell more. And so they don't have to let prices rise. And if they do then it will generally only be advantageous because then companies will make more profit and thus get more money and thus can spend more. If wages then also start to rise, it will also be beneficial for workers in the long run. Only wages generally do not rise as fast as prices and THAT is the big problem. Also at the moment. Especially the lower incomes can then buy less and less of what they earn. Whereas they should be able to buy MORE, increase in wealth. Or spending less for what they already buy is even better because consuming is also an important issue.

What is also the problem in present times is that wages are falling while the very cost of energy and other basic necessities of life is STRIVING. While the money supply available for these necessities is only decreasing. Because of that decline together with increases in prices of these necessities but also increases in costs of health care and dentist and the like, especially the lower incomes have less and less money to spend on the other goods and services. Luxuries. While in fact those luxury goods too are only increasing. But those businesses and therefore their employees are getting harder and harder to survive let alone grow and develop.

Economists generally still believe that by a relative increase in the money supply relative to the economic output present, inflation is brought about. This is a common misconception and, I believe, a completely false assumption and belief.

Inflation, in my opinion, is caused more by the relative decrease in wages with increasing production and production efficiency relative to the same amount of money or too slightly increasing amount of money. If production increases per worker, then wage costs must also increase. In recent years, however, wage costs for lower-income workers have actually been decreasing, both quantitatively per hour and given the number of hours one is able to work. Many

permanent workers with their higher wages have been replaced by flex workers who themselves receive much lower wages. Per hour. While also being able to work less than the permanent employees in past years. Because overtime is less and less of an issue because of the deterioration of the economy but also because of increased efficiency which leads to fewer working hours to achieve the same productivity.

If the social money supply increases, private individuals can finally pay off their debts, pensions can be paid out again, houses can be renovated or renewed, and medical expenses can be paid. In addition, the prices of special goods can be paid again, for example antique goods or animals that cannot be sold for what they are actually worth.

## **Causes of inflation**

Various schools within economics adhere to completely different views regarding the origins of inflation, and thus regarding the (un)desirability of (too much) inflation and the most appropriate methods to prevent, control or curb inflation. The main schools of thought are the following:

- The Keynesian view that sees price inflation as a result of changes in supply and demand. And does not see changes in the money supply as a cause of price inflation.
- The Monetary view that states that inflation should be regulated through regulation of the money supply. This involves the equation  $MV = PT$ . Money X Velocity = Price X Trade (national product or domestic product).
- The Austrian School, which explains an increase in the money supply from government action (central bank lending to banking) or from actions of the banking system itself (bank lending)
- The monetary view of inflation supports that more money is needed because more money, according to Fisher's quantity theory, will not lead to an increase in the general level of prices (P) but to an increase in production (T). This, in turn, allows for an increase in wages and that in turn boosts the economy even more because the situation of under-spending applies at the moment. If it is assumed that companies can produce much more than they currently do and there are plenty of services but also the understanding that they can and may well be

produced more than currently. But also, with more money per employee, the number of hours worked can decrease, for example, so that people can work less. Something that should have already become reality given the increase in efficiency instead of us all still having to work the same number of hours for the same prosperity as in the past. But a lot faster and better and more efficient than in the past.

The Austrian School's definition of inflation is NOT inflation if inflation is increase in money supply. This is because the money supply has not REALLY increased when central banks lend to the banking system or customers lend to banks. This is because against credit there are loans and therefore debts. Those debts and loans cancel out the credits provided and even it is the case that interest also has to be paid. So that in the long run there is not an increase in money and not even an equal money supply, but even a decrease in the money supply.

## **Forms of (price) inflation**

Two main forms of (price) inflation are distinguished, cost inflation and expenditure inflation.

Cost inflation means that companies pass on their increased costs in selling prices so as not to reduce their profits too much. Another cause of cost inflation can be increasing taxes. For example, due to increased taxes (excise taxes) on gasoline, gasoline prices have also gone up in recent decades. Today, gasoline prices remain very high even though people have less to spend. The same is true for rising health insurance costs and rising food costs while the quality of food is generally declining.

Spending inflation, according to the theoretical definition, occurs when there is overspending in an economy where businesses are at full capacity and struggling to meet demand. In the late 1990s, many businesses raised their prices sharply, and this is attributed to the fact that there would have been spending inflation at that time.

So in any case, prices were raised sharply in the late 1990s, while they were never lowered thereafter. On the contrary. Prices are still rising while the

economy is NOT doing well now and workers are earning less and have less to spend. Moreover, wages were not raised proportionally in the 1990s. That WOULD have been done then, then we would not now be in a sharply deteriorated economy and negative spiral. Which is compounded by the current (2011/2012) bad monetary policy of the EU and EU countries.

At the present time, individuals and especially lower income earners can only pay for the higher cost of goods they absolutely need by borrowing more money or spending less on other goods and services. So that automatically implies a further deterioration of the economy. The only way out is a transformation of our current money system that allows and realizes real additional money creation. And then also allows for an increase in wages and that people can spend the same or more if necessary and without having to borrow. Debt cancellation and debt repayment must also become possible again. So there is a great lack of MORE money. To be able to pay off debts and pay increased prices. Instead of not being able to do that and actually having to take on more debt or settle for less than in previous years.

## **Why is inflation not a problem?**

What far too many people, especially economists, fail to understand in today's age is the fact that inflation, like other aspects of our society, is relational. And that that relational also has certain characteristics. Relational is never uniform or singular, but always consists of a very rich variety and plurality. And that plurality in turn also has certain characteristics and a certain structure. All this has to be well understood, and it is not easy to actually understand all the aspects and characteristics and issues that matter in inflation. Even I don't quite do that yet, and no doubt there are still very many aspects and issues of inflation that no one understands yet.

However, the fact is that I already have a much better understanding than most people or economists of what inflation is about or when inflation will or will not occur and or when inflation will or will not be a real (big) problem or issue.

As far as the emergence of inflation is concerned, the following characteristics and issues are important or will play a role to a greater or lesser extent:

- 1) The amount of money present in the economy
- 2) How will this money be allocated and to what entities
- 3) Situation of the entities to which the money is allocated (BEP situation or a much better situation)
- 4) The monetary system one deals with (current versus EMS) and the resulting properties of the economy (how and if taxes are levied, how and if there are pensions and how they are paid, how and if prices are managed, etcetera).

I have already described in other texts of mine that economists generally misunderstand the concept and phenomenon of inflation. That their understanding of inflation is also something very different and has very different characteristics therefore, from the phenomenon of inflation. Among other things, it is assumed that inflation occurs when too much money enters the economy. And it is not understood that inflation will also occur when there is too little money in the economy as in the present time. That too little money in the economy leads on the one hand to less and less relative income for the lower income groups, while the higher income groups thus apparently get more relative income and that more relative income has to be paid for by the companies so prices stay the same or even go up. In the current crisis situation that is still present and also assumed to be present, companies will not raise their prices quickly. This leads to the fact that with less sales/turnover those companies are trying to improve their efficiency and thus, among other things, to also spend (even) less money on production costs and production forces. So relatively speaking, lower income groups have less income while prices remain the same or even rise. So relatively speaking, that is inflation. Not even counting the increased cost of housing, the rising cost of mobile communications and things like that.

Of course, all this is a problem in the current situation and economy. However, if and when the EMS is implemented, all of this will become less and less of a problem because then companies will be able to keep their prices at the same level (whether or not directed or imposed by the government) or even drop them through all sorts of ways because within the EMS, taxes can also be lowered and sales will probably also increase as a result of higher incomes and earnings of

workers in general. With a better economy, companies can keep prices the same or even drop them. While people's incomes increase or may increase due to more sales by businesses. A better economy. Lower social security contributions. Possibly also a lower contribution to health care costs. Therefore, inflation will not have to be an issue or at least to a much lesser extent than in the current time and situation.



## **Extra chapter about inflation**

This chapter is a chapter that was not in the 2016 book. This chapter is new and it is the text that I originally wrote for my podcast “The Excellent Monetary System” on Spotify. The links and QR codes to listen to this podcast are at the beginning and end of this book and the content of the podcast is supplementary to the content of this book.

This chapter is about the major misconception of economists and the general public about economies. It is about inflation. Inflation is misunderstood largely. And foremost also because of that, the relatively simple ways to prevent problematic inflation are not understood enough. In this chapter I will give my understandings about inflation and the real causes of inflation. Also I will mention how problematic inflation can always be prevented by means of the right actions by governments mainly.

So here I will talk about inflation. When inflation occurs, it is either cost related or non cost related inflation. Inflation occurs all of the time. But when inflation gets problematic, it mostly does not even get problematic because of the inflation itself. Inflation gets problematic because of the fact that lower income groups need more income to cope with the inflation, together with the fact that higher incomes for the lower income groups are costs for companies and other organizations. Higher incomes lead to even more costs leading to more price rises so more inflation. The mere fact that lower incomes cannot be raised without a needed price raise is the biggest problem of inflation. If only there would be ways where lower income could be raised without the costs for companies and or other organizations to rise, then this would mean that the prices would also not have to rise. And higher income for the lower income groups connected with no price rises for companies and other organizations per definition leads to more turnover and higher profits for companies. Higher incomes for lower income groups also lead to higher tax incomes for the governments.

Now 2024 the Dutch government wants to decrease income tax for lower incomes. This will mean that the lower incomes will have more money to spend but the costs for companies and or other organizations will not rise. It will mean probably that the lower income groups will spend more or get less debts and later on can and will spend more. All together it will mean more tax income for the government. This tax income for the government may even be more than the

reduction in tax income that they give lower incomes by means of lower income taxes.

In the rest of this chapter, I will try to explain well enough what is wrong with current misunderstandings about inflation. In the core, these misunderstandings are caused by the fact that economic theories and economic thinking is mostly dualistic. There has to be a shift from dualistic misunderstandings towards relational understandings about inflation. Relational inflation is different from fractional dualistic theories and misunderstandings about inflation. It has to become understood that our world is not a world of uniformities but of differences and that those differences matter a lot. Some years back I was at ministry of economics of the Netherlands and economist there talked about inflation and gave the example of Zimbabwe. But of course Zimbabwe is in many ways much different from the situations and economies in Western Europe with its full grown capitalist societies with the right financial institutions and governmental and banking policies. These are by far not optimal but at least much more developed and contra inflation than the very poor situation and circumstances in Zimbabwe.

A huge mistake of economic theories and economist thinking is that in many cases they like to work with *ceteris paribus* cases while of course real economies are never ever *ceteris paribus*. Also, there is a huge lack in detailed insights about inflation of specific goods or services or real estate. The economists do not diversify enough in how problematic inflation of specific goods and services are for the lower income groups. They fail to understand enough the relational inflation. They fail to take enough into regards the causes of inflation for different goods or services or real estate and how to deal with that. And that in many cases especially based on a thorough understanding very efficient and proper governmental policies can mostly help a lot to manage problematic inflation.

According to Milton Friedman inflation always has a monetary cause. The economists like to mention mostly that more or too much money ALWAYS leads to inflation. This is actually a result mostly of the work of Milton Friedman. But Milton Friedman was wrong. And his wrong prediction and misbeliefs are firmly grounded in the ways of thinking of economists and central banks and governments. That is one of the biggest reasons why the great predictions of John Maynard Keynes in his “economic possibilities for our grandchildren” are not realized yet. Economists are not the persons who can create the proper monetary and economic systems to realize the predictions from John Maynard Keynes. Even JM Keynes himself did not understand what was really needed to enable his predictions in his writing “economic possibilities” to become true. The only person who does and ever did is me, Wilfred Berendsen. Now economists need to get to understand and realize my monetary system and the economic

systems belonging to it. This is not only highly needed to realize the predictions in “economic possibilities for our grandchildren”. It is foremost also needed to prevent maybe still the recession that worldwide economies will face soon after 2024 if my monetary system and the economic systems belonging to it are not realized. As then for sure a worldwide recession will occur. There is no other possibility given the damages of current monetary system and economic systems for worldwide economies and citizens. And the logic of inflation leads to a worse economy if not enough money growth occurs after a relatively huge worldwide inflation like in the years of 2022 and 2023.

The Fisher equation is a main part of the quantity theory of money. This equation is  $M \cdot V = P \cdot T$ .  $M$  is the money supply,  $V$  is velocity of circulation,  $P$  is price level and  $T$  is transactions. When there is inflation, economists do not want more money into the economies as it would cause even more inflation. But when there is inflation, the  $P$  in the Fischer equation rises and if the same  $T$  transactions would have to take part, then the  $M$  should at least increase with the same level as the inflation if all the other parts of the equation would stay the same. And they do not. As the  $V$  will also decrease based on or following inflation. And if the  $V$  for certain goods will NOT decrease after inflation, then with the same or not enough growing money supply, the  $V$  will most probably even decrease a lot more even for other goods and services. Velocity of circulation and transactions are closely linked to each other. Meaning that with inflation both  $V$  and  $T$  will decrease. If velocity of money and transactions will not decrease given a major price increase like in 2021 and 2022, it means that either  $M$  is growing or people are spending more of money they saved earlier.

The Fischer equation  $M \cdot V = P \cdot T$  defines  $M$  as money in our economies. But what is forgotten there is that  $M$  money in our economies also involves savings. And those savings should not be part of the fisher equation. That is why i propose to replace  $M$  money in our economies with  $M_s$  being money spend. Then the equation will become  $M_s \cdot V = P \cdot T$ . Money spent times velocity = price times transactions. Then the  $P \cdot T$  part should be diversified and detailed much more than in the fisher equation. Based on what types of goods or services. But also whether it is about new products or services or second hand goods or services. The money spent and velocity of money also is determined a lot by trust in our economies and future developments and changes therein.

The Fisher Equation  $MV = PT$  does also not take into regard the need for growth of transactions with population growth and growth of possibilities for humans and a major factor of current economies namely global economies. The need of more money because of that are not taken into regards. There are a lot of current - ations that are neglected with the Fisher Equation. I talk there about at least -

ations like globalization, population, industrialization, innovation. T needs to and will change constantly. The real economy is much more diverse and sophisticated than the narrow minded and reductionist and wrong fisher equation. This fisher equation is not complete and it is not diversified enough.

The M in the Fischer Equation should, like I argued before here, be understood as only money spend in the economy. While the money that would be created by and going into the economies is much more than that or should be more than that. Meaning that the needed increase in M for the Fischer Equation can only be generated if there would be created even MORE money than the needed increase in M in the Fischer Equation. It should be understood that in present economies, Central Banks and Governments NEVER create additional money. It are the private banks who do so, following a request and loan of more money by citizens or companies. How much those citizens and companies will actually borrow mostly depends on how much they can borrow. And foremost also on trust. Trust in the economy and trust in whether they can pay the money back. Maybe also whether they can earn the borrowed money back and maybe make a profit out of the loan.

The creation of money by private banks is never initiated by the banks themselves, but always by the citizens and companies borrowing money. This means that the rhetoric of economists that more money into our economies causes inflation would then mean that if and when citizens and companies borrow more money that then this would mean inflation. Of course, this is far too simple but also it is factually totally incorrect. In current economies, citizens and companies borrowing money is itself not a reason for inflation. Or it does not have to be. When citizens can borrow more money to buy a house, the price of houses MAY also increase. But it also may not. And there can and will be much more reasons why the house prices may or may not rise. If house prices rise because buyers can get higher mortgages, then governmental policies can always restrict those kinds of influences with the right governmental policies. Excess house prices or house prices above certain amounts can be highly or smartly taxed on either the buyer and or the seller sides. Another thing that governments could do to prevent excessive housing prices is by announcing that for instance they would only accept house prices to rise maximum a certain percentage a year. That any higher sales prices of houses would be taxed more than the surplus.

The false acritically indubitable belief system of economists around inflation is all based on the false assumption that more money would go into the economies and that that more money into the economies would then be the driver of inflation. While in reality it is not increases in the amount of money that drives

inflation in our current western and capitalist societies. In these economies, the only money that is created is not real additional money creation but debt created by private banks. And the only reason why these additional debts or debts in general are created, is because citizens or companies need more money, or at least want more money. They want or need that additional money to buy certain goods and services or to make needed or wanted investments. In general whenever citizens and or companies can borrow money, they will do so to finance what they need or want to buy or invest in.

Contrary to the misbeliefs of economists, in western or capitalist societies inflation does NOT occur because of more money into our economies. It might occur because of changes in where money gets allocated towards or it might occur because of our current economic systems and cost rises of companies. These cost rises in general do not lead to the same wage increases. That is why in general, inflation leads to a less good financial position for the workers and citizens concerned.

Inflation should not and can not be understood on a macro level using inflation theories that are largely reductionist and factually not true. Inflation has to be understood taking all the real issues and circumstances of real life economics and situations into regard. And most of all by taking that into regards together with how people can and will or might respond to these real life situations. And by understanding that people and situations are still differentiated there, leading to a multitude of real factual actions.

I am pretty sure there is no single CEO or company strategist or marketing guy who ever looks how much money is in our economies or how much is added or who even would know how to do this. In most cases these people can and will not even understand how they could get a good valid insight into this. None of these or any other company people will consider rising prices when demand rockets. It is kind of insane to research this in the light of economics or social sciences just for the aim to prove Just that. As it should be obvious this being the real True realities in current economies. Still all economists preach otherwise when they are blinded by their theories..

Inflation like it occurred on a large scale in the years of 2022 and 2023 is actually a result of not enough money in our economies. There was and is not enough money for certain parties in our economies. This was already clear in the corona periods. At that time there were many companies that could not cope well enough with less income. After the corona crisis a lot of companies still had to pay back loans they needed to cope with the corona situations and period. After that the energy prices rocketed while many companies did not have enough

financial resources to handle these price increases. Therefore the only solution for most companies was to increase their prices. Inflation. If most of the companies would have had enough financial reserves, these price increases would definitely not have happened so massively as in the years of 2022 and 2023. This massive inflation on world economy scales can not be understood apart from the corona crisis and the very poor financial situation of many or most companies. Now the companies can deal again with the current costs, but the question is for how long. It will not last long till a next severe worldwide recession will be there.

The inflation of 2022 and beyond was mainly caused by higher energy prizes. Those higher energy prices where mainly a result of many changes in the energy markets. Demands of energy growing because of the energy transition and more changes caused that the energy sellers and producers did need actually a lot more money than what was available in this particular sector. This means also that now the more money is levelled to these particular sectors in our economies, there is actually less money available for companies supplying other goods and services. Following inflation, more money needs to go into the economies to enable citizens to still buy enough of what they want or need to buy. Without additional money in economies after inflation, less products and services are bought and the velocity of money decreases. Both of these cause a recession.

More money in our economies is actually even without inflation constantly needed because of the growth of inhabitants of countries and our globe. And these inhabitants want always more goods and services and foremost also better-quality goods and services. Then also change like sustainability requires a lot of additional activities so additional money to finance these needed additional activities. Innovation and change require a lot more additional money in our economies. When additional money really goes into our economies and this additional money is not needed for consequences of inflation or for financing currently needed goods and services, it will mean that that money can and will be spend on innovation but also on growth of new products and services and investments inland and abroad.

More money in the economies will not lead to people buying more or other goods and services. This because of the fact that only when people themselves get higher wages and or higher incomes, or based on peoples own decisions not connected with more money overall in economies, they might get to buy more goods and services than they did before. The incomes and wages of people do not increase when indeed more money gets into the economies. When more money gets into the economies, it Favors the rich and the companies mostly. This more money into economies ends up as being invested or saved up mostly.

Anyways it will not, or will only to a very small extend, lead to more demand. And if it will, then no single company will itself know or see the connection of more demand and the rise of money in economies. No single company generally knows when or whether there is a growth of money in our economies. Companies do not rise their sales prices because of more money in economies. That belief in economics is nonsense. Companies might rise their prices because of cost inflation or because of other cost rises or other reasons, but a growth of money in our economies in general is not and will not be a reason for a sale price increase.

The slow down in our economies will unfold in the years after 2024 by means of a severe economic recession. As the growth of money is, like before, highly insufficient to cope with the inflation and needed additional money of the years before and current and future demands of MORE money. Inflation causes the need of more money in the society but central banks fail to create additional real money.

The amount of money in our economies is generally not that much monetary driven but mostly it is people and businesses driven. If more money is needed than available and required then the people and businesses will generally borrow the more money needed or required. For that, it is needed that the income of these citizens increases. Without it, not more but less money will be borrowed. Following inflation the wages of citizens should at least increase as much as the inflation. This does and can not happen because of the current economic systems. Meaning that the high inflation of the years of 2022 to 2024 by definition could not result in ENOUGH of more money going into the economies. This will cause a recession after 2024 sooner or later.

Citizens and companies right now lack the means and possibilities to borrow enough additional money to meet the additional money requirements caused by inflation in the years before 2024. What we miss there is the proper right additional banking system for governments that ensures creation of real additional debt free money. Inflation is not caused by more money into the economies. Inflation actually is caused by the lack of the right proper banking system for the government and the resulting too high tax burdens on people and businesses and too less of money growth. Because of the lack of a logical good government banking system all of the governmental spendings need to be paid by people and businesses. Higher prices for goods and services on a huge scale everywhere in our global economies requires a lot more money in our real economies for enabling the same amount of goods and service es or even more to be bought. This money is completely or partly created in the people and businesses banking system. But should have been already created in the

government banking system. This to prevent the huge constantly growing problems and issues in our economies because of the lack of a proper governmental banking system. The right proper banking system is not there yet because of the huge misunderstandings and insanities in current monetary theories and economics especially or solely regarding the phenomenon of inflation.

With current monetary system and economic systems in capitalist societies and countries, it is impossible that real additional money gets into the economies. After inflation but also to even prevent inflation, more money should go into our real economies. This additional money needs to enter our economies without leading to cost inflation. And that is only possible by means of my innovation for the money system and my excellent monetary system. At first by means of income tax compensation. If this is not possible, compensation of other taxes or via social security allowances is also possible. These ways of adding money to our economies lead to additional money for workers or citizens or additional money for companies and other organizations. Those all lead to additional borrowing possibilities or additional spending possibilities for citizens and companies. This will, contrary to what economists do belief, not result in problematic inflation. More money added through my excellent monetary system will instead lead to less citizen debts, less company debts and less governmental debts. Less money will be borrowed from the private banks, which means that the traditional way of debt creation is replaced by financing by and through the money that citizens and companies and governments have or get themselves.

It is the spending of governments and the current lack of an additional good banking system for the governments and influence of that on economic systems and processes that is the main huge problem in current economies. Our society needs my addition for the monetary system which is at least in beginning mainly an additional banking system for the governments. This change in the monetary system is needed before our economic realities will become a huge disaster because of the current insane monetary and economic systems

There is a difference between the total amount of money in the economy and wages of employees. But both really must rise after inflation and it all is connected with and dependent on each other. The total amount of money in the real economy must rise after and because of inflation, but the profits of companies go to the financial economy. The most common or maybe even the sole way that money goes from financial economy to the real economy is by borrowing money from financial economy to the citizens and companies in the real economies. But with the current insane monetary and economic systems, those who need to borrow need to be able to borrow enough still to ensure that



the economies can still develop. And as they can not borrow enough anymore now, a recession after 2024 is a sure fact.

Now Dutch government wants to save money so less spending and because of inflation everything is more expensive. Less expenditures of government and less borrowing from companies and less expenditures and borrowing by citizens means less money spent and less money available to spend and for investments in the real economy. So that means a major slowing down of the economy. The same will go on in EU and the US and worldwide the next couple of years. Leading to a recession unless additional more money is added to the real economy in the right ways. This is only possible by replacing the current worldwide monetary system with my excellent monetary system.

How to prevent inflation?

Our society is much more intelligent than our current monetary system and our current economists. Inflation is now prevented mostly because of a lot of phenomena and developments in society and economies that were added or that are not applicable anymore. We have now laws and globalisation and norms and wealth. We have a financial economy and understandings and partly resulting from that also precautions of different kinds that prevent problematic inflation to take place. By means of understanding the role of each of them and or the right combination of them, serious problematic inflation can be prevented partly. But for problematic inflation and a lot of current financial problems to be solved permanently, my excellent monetary system is the only permanent solution.

Cost inflation can be prevented to reduce the costs or by compensation of the cost rises when needed. Then if that is all done correctly, inflation is financially wise not needed anymore. Price rises will then not be needed anymore. Maybe slight price rises will then still be needed but not really problematic ones on a huge scale. The worldwide inflation of previous years (2022/2023) where mostly the result of rises in energy prices. Causing a rather huge inflation on a very big scale. This is really exceptional and could have also been largely prevented with my excellent monetary system.

Price rises that are leading to problematic situations can easily be prevented and solved by government once my excellent monetary system is realized. Cost inflation can be solved by reducing costs or by compensation of too high cost rises. And all other price rises that are not really needed financially wise can be solved with governmental policies. The government can always tax any business that raises prices too much or punish them in other ways financially wise. In that case the taxation is not for prevention of inflation by getting more money out of the economy. But instead it is taxation of companies or other organizations that rise their prices too much while this is not needed financially wise. The context is different as the whole context changes with the excellent monetary system.

MMT wants with current system that governments spend more and argues that deficits are a myth. With this current monetary system and economic systems still the same, MMT wants that governments spend more money as that would stimulate the economies and lead to additional tax income. But with current monetary system and economic system, the situation that MMT is in, deficits are not a myth but a serious reality. Citizens and companies have to pay back the interest and also parts of the deficits. And they have to pay this back through governmental taxes. What MMT actually does is leveling even more money from

lower income groups to higher income groups. MMT is a theory that when put in practise will increase the problems in our society and highly disadvantage the poor. MMT also wants that when inflation gets too high, taxation ensures that money will be taken out of the economies. They do not specify what kind of taxation. Based on the assumption that inflation is caused by too much money in the economies, they argue that taxation would be a way to prevent further inflation or solve it by getting money out of the economies. These assumptions are of course all not true and also weird assumptions. MMTers like economists assume that companies rise their prices when more money gets into the economies. That these companies know that there is going more money into the economies. And that solely based on this more money into economies the companies rise their prices. Therefore they want less money in our economies through taxation. But even less money is not what is needed when inflation gets really high. What then is needed is even more money in our economies. More money, not less money.

Inflation is caused by too much taxation and too high governmental costs and not because of too much money in the economies. Taxing if inflation gets too high with the aims of reducing the amount of money in our economies will not lower or solve the inflation but actually cause even more inflation. More money into the economies does not cause inflation but actually will prevent it. Just like more money into the economies will prevent a recession in the years after 2024.

Taxation can actually help to solve specific problematic inflation, but not because this inflation takes money out of the economies. Taxation the way MMT wants it and for taking money out of the economies is not a way to fight or solve inflation, it will only make the inflation worse. This because of the fact that inflation is not caused because of more money in our economies but also the higher tax costs for workers or companies will lead to demands for higher wages and higher costs for companies. Creating more incentives or the need for higher prices and thus inflation.

With my EMS, a considerable part of government spendings does not require any taxation. This means that there is no further decrease in the financial position of lower income groups. And with and by means of the ways of spending this additional money for the governments, the situation for lower income groups can even and will even be improved a lot. And while these governmental spendings are without any taxation, also the debts of governments will not increase based on this additional governmental spendings. The government does not loose but only profits a lot because of much more possibilities and a much easier realization of governmental policies.

My excellent monetary system leads to more money into economies but that does not lead to problematic inflation. What might lead to problematic inflation is if companies regardless of how much money is in economies do increase their prices too much. More or much more than is needed financially wise. If companies do so too much and this is leading to a risk of inflation, then governments could or can tax those companies in such ways that these governmental policies lead to less increase of prices. The taxation is then a governmental policy or a punishment for companies that increase their prices too much while this is financially wise not really needed. It is a way of price regulation that can prevent problematic inflation, problematic price rises. My taxation solution is only for a specific situation and aimed towards a totally other specific group with a very specific goal. Being to discourage price increases purely to make more profit, price increases which are totally unnecessarily financially wise. The goal is therefore not to get more money out of the economy. And the money received by the governments through the taxation which I propose here can actually better be spend immediately into the economies in right ways by the governments. Even more money than the money received by the taxation can be spend additionally into the economies again by the government if only it is going to the right directions into our economies. Allocating this money to the lower income groups will have a very positive impact on our economies.

My monetary system and Policies accept imbalances but only the healthy non problematic ones. My system by changing the economic system and dependencies solves monetary problems and economic societal problems and issues. Inflation not being unhealthy anymore. Current imbalances are very unhealthy because of higher imbalances/inflation ending up with the rich and wealthy mostly at cost of the lower income workers

Inflation can be cost driven or not cost driven or any combination of the both. Non cost driven inflation is at least consisting of demand driven inflation and greed driven inflation. The causes and connections between types of inflation need to be get understood both much different and more detailed than it is now understood by economist, the general public and governments. This is needed to be able to take the most optimal steps when inflation does occur, but also it helps to understand my monetary system and the great role it plays for other, much better contextual results of the inflation phenomenon and occurrences.

Very important to notice in the case of inflation is that inflation occurs almost constantly and that this inflation gets actually more and more troublesome for the lower income groups. This because their wages normally increase less than the inflation while higher incomes normally rise more. The higher income groups mostly profit the most from inflation, inflation has a de-levelling effect on income.

This means also that the less the lower incomes get to spend, the less money enters the economies. While in general more is needed following inflation.

The biggest problem in these times is inequality inflation. This inequality inflation is caused by the fact that economists very wrongly preach that more money into our economies leads to inflation. This coupled with the current economic system leads companies and governments and of course the narrow minded economists through their narrow minded economic theories and professionalisms think that lower wages may not and can not be increased too much. They argue that lower incomes and wages can not increase too much because this will lead to cost inflation. The result is that lower income groups get less and less real nominal income to spend opposed to the real price increases each year. Cumulatively this leads to increase of inequalities, but also to real money increases into our society becoming more and more troublesome. The real money increases into our society are ecosystem illogically created through private banking. And the needed money is created as much as possible through those ways driven by what people, citizens, really need for spending what they need or want to spend. There is of course a huge discrepancy between what people individually and as a family or group need to spend and what they do not need but still want to spend. Quite often even the lower income groups still spend if they want to spend even if they do not really need to spend it. The question is whether they can then still really afford to spend these amounts of money. If not, they need to borrow. Cumulatively these needs to borrow together with the investment borrowings of companies and the borrowings of governments through the private banking system leads to the real money additional money creation in our economies. Which is not real money creation, but actually it is cumulative debt creation. The real additional money creation being cumulatively equal to the cumulative additional debt creation, together equalling to zero real additional money creation.

The real problem in current society, is that this insane economic ecosystem of current times together with the insane monetary system of current times lead to inequality inflation. Where especially lower income groups get stuck with buying houses. As that is where the real inflation occurs. Not because of more money into our economies. But because of the fact that our current banking system is insanely and unneeded discriminating the lower income groups for creating more debts in the form of mortgages. While the higher income groups can continue doing so with ever growing purchasing and investment power. A growing part of the housing market is becoming investment oriented and induced. This while housing should be mainly or solely only be living and non investment oriented. Lower income groups need houses and they need a place to live. But the costs

of houses are more and more based on investments. The costs of living go up also mostly because people need a place to live. That is why they will even pay amounts that they can actually not even afford. We have a severe housing crisis now. In 2008 there was the financial crisis where there was a big problem with mortgages and houses because some people could not pay their mortgages anymore and needed to sell their houses. Now in current times a lot of the people who could still get a house in 2008 can not even get a house anymore. Socially wise the crisis is much bigger and much worse. And with much more impact and problems than the financial crisis of 2008. But it is not perceived as troublesome as the crisis of 2008 because the governments and economies and also the banks are not really feeling or experiencing yet the problems connected with the huge housing crisis of current times.

That what is happening now in the worldwide economies is a result of too less money in our economies. Too less money and also money allocated in wrong and damaging ways. Because of too less money in our economies, in the years of 2022 and 2023 companies had to increase their prices following a price increase of mainly electricity. If there had been enough money in our economies, much less price increases would have been the result. And much less inflation caused by these price increases. Now, in the year 2024, at least in the Netherlands the wages have been increased also. But not as much as the inflation has been. Companies hire less persons and also therefore the money spent in the real economies will be less in the year 2024 and after. The year of 2025 will become even worse. There will be a recession resulting from too less money in our economies and the inflation that this caused but also because the inflation requires even more money into our economies. And the sole way money is entering our economies is through lending at private banks and spending that money into the economies. Companies and citizens normally mostly borrow at the private banks. But both have less borrowing power than before and will not borrow as much as before.

## Types and causes of inflation

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More inflation or inflation causes more money in our economies. Because of inflation citizens and companies need to borrow more money from the private banks. That results in more money in our economies. Inflation is not caused by more money in our economies but it is caused by cost price calculations and workers wanting and or needing more and more income

The money created by private banks by means of mortgages and other borrowing is never ever enough to prevent further inflation. If the money created by private banks would be enough then companies and other organizations would have enough margin. Then they would not have to increase their prices even more. But because of the fact that the amount of money added is always just or a lot too less, companies and organizations can not fully deal with cost rises without increasing their sales prices.

What is now happening in our society because of the insane money system coupled with our insane economic systems can be called a very negative positive feedback loop. It is a process of ever rising prices and higher wage costs and higher other costs. For all of that together with the growth of citizens and products and services, more money is needed. Actually, more money is needed for that and also more money is needed to prevent companies having to increase their prices. Current society is as such that a considerable increase in money in our societies is very highly needed and this will solve problematic inflation. It will make the life of everyone on this globe a lot easier and better.

Inflation is mostly most problematic for essential primary goods and services. Primary needs for citizens and families like food and drinks, clothing, internet and mobile phone, sports, education, insurances, transport (bicycle, public transport, a car), healthcare and care, going out and housing. Housing and food and clothing should all be affordable for really everybody and a lot of risks of life should be insured standard by governments.

There are generally 3 sorts or types of inflation, being

- Cost inflation
- Reiteration inflation
- Expenditure inflation

When looking at the sorts or types of inflation, it is important to get to understand that expenditure inflation is about more money spend on certain good. This is mostly for more luxurious goods or more special goods that are already produced

but sold again by mostly private persons. In about all cases, expenditure inflation is not for Maslow primary needs. And spenders connected with the expenditure inflation are generally not getting into financial problems by spending more on the goods or services concerned.

Expenditure inflation generally only occurs when people themselves want to spend more on certain goods or services. These goods or services generally do not belong to essential primary goods or services. The individuals or families spending more on these kinds of non essential goods can easily miss the money they spend on these. Expenditure inflation is not a problematic kind of inflation.

Cost inflation is mostly much more troublesome for various reasons. Cost inflation is mostly for maslow primary needs and in current times also for houses and living. Both of these together cause the most problems for citizens in capitalist societies. But cost inflation is strongly connected with the current monetary and economic systems. Besides that even those resulting costs inflations can mostly be prevented more than enough by means of governmental policies.

Cost inflation, the only really troublesome inflation in current times, can be prevented by

- More money in our societies and allocation of that money to the right places
- Governmental policies

For more money in our societies and allocation of that money to the right places, the correct monetary system and economic systems are needed. This requires a very specific other monetary system and very specific other economic systems. Only the right ones are possible and helping, and this are my monetary system and the economic systems belonging to it. Besides governmental policies what is needed to prevent problematic inflation is

- My excellent monetary system
- The economic system belonging to it
- The monetary policies and actions that i mention to be important guiding and resulting from implementation of my excellent monetary system.

Reiteration inflation is inflation caused by previous cost inflation. Because of cost inflation the wages of workers increase and because of that and too less margin



to compensate for the wage increases, more price rises result out of it. This can result in an repeating process of cost price increases and resulting sales price increases. Reiteration inflation is generally also mostly the biggest problem for critical goods. Primary needs of citizens and families. Reiteration inflation is problematic but without problematic cost inflation the problematic iterative inflation will never occur. Reiteration inflation is also always cost and cost price inflation.

The consumer price index does not involve the housing market and hiring market of housing enough.

With my Excellent Monetary System wages can increase while costs and sales prices can stay the same or with only minor increases or they can even decrease. Houses will become payable again. Insurances and healthcare and pensions and other social security can be paid a lot more than currently by governments

In our current economies a mixture of all the several kinds of inflations is normal and always the case. Just a bit of cost inflation is normal and not really problematic. A bit of expenditure inflation is not problematic. A massive general cost inflation of certain goods or services is however really very problematic. A very recent and great example of this are the rises in energy prices of the past years and current times.

Several types of inflation always occur to a greater or lesser extend and more or less massively, regardless of how much money is added to the economy. More money in the economy never causes problematic inflation, but in many cases it can prevent it. Sometimes problematic inflation is influenced by how much money is added to the economy. But then that is really only because that money is allocated incorrectly and not because more money is added to the economy. Moreover, in those cases where more money causes problematic inflation this is ultimately only because of the fact that correct government policy is missing that can indeed prevent or solve that type of problematic inflation.

For the current situation in global economies, it has to be realized that governments and citizens and companies spend a lot of money abroad and that these spendings abroad do not lead to payment of taxes inland. When spending on goods and services inland, government receives much more taxation then when the same money is spent abroad. With inland spending the government gets taxes each time the money is spend again. With outland spendings, only money that is spend back into the country after it leaves trough spendings will lead to a very tiny taxation income for governments.

Some of the problems of our current economy are too high governmental and societal debts, too much poverty and too low wages for most people. It is not sustainable when the huge majority of workers in a society can not even save money anymore and when house prices keep getting out of hand. Government not doing anything about it.

The inflation lies that more money in our economies leads to inflation serves the Banks and higher incomes in current economies. The less money in our economies the less People can save and the more People and companies need to borrow from the Banks. Without that borrowing Banks can not charge interest and with too much savings and too less borrowing the Banks pay more interest than what they receive. Banks also have a huge interest on mortgages and profit a lot from high house prices. If those house prices go down, they receive less interest on mortgages. Banks rather receive interest on money that customers spend on houses than that they need to only pay interest if that money is kept in a bank account. Even if the seller of a house puts the money in a bank account, then at least they also receive interest on mortgages still being higher than the money they need to pay as interest on savings.

The main problem of current capitalist societies is Over taxation and our current monetary and economic systems. Cost prize calculations and lack of a governmental financing system. More governmental services are needed and those require more money. The municipalities also need money. One of and also probably the most important traditional current ways to finance for municipalities is by selling building grounds. This against high prices and these high costs of building ground make houses a lot more expensive. Why would people have to pay that much for a piece of building grounds. Scarcity does justify higher prices. But people need to live and should not be restricted too much on that. More building grounds could be made available for less costs and costs of current buildings and building grounds could be kind of frozen or even decreased at least a bit. It would also help a lot if sellers of houses would not have to pay inheritance costs. Then they could sell their houses for less. Additional taxation for houses costing more than a maximum level per square meter and or area and or type of building and other important characteristics combinations could help a lot also

More money in the economy is needed after inflation to maintain purchasing power and to ensure that employees spend enough, but also to allow additional money to enter the real economy to keep the total amount of money increase at least as much as what is necessary to compensate for the inflation. Without extra money in the economy, less is purchased and the velocity of money is also

lower. This causes a recession. So there needs to be more money in the Economy after inflation.

However, that more money must enter the economy without leading to cost inflation. And that is only possible through my innovation for the monetary system and my excellent monetary system and by increasing income through income tax reductions

If this is not possible, compensation for other taxes or surcharges is also possible. All these ways provide extra money for employees, citizens and/or extra money for companies and therefore extra borrowing options and/or extra spending options for citizens and companies.

### 13. The root cause of the debt crisis

Although I have long understood the real underlying cause of the financial crisis or debt crisis, it is good to try to explain it as best I can here as well.

This underlying cause of the financial or debt crisis is NOT, as many monetary reformers now think, the way debt is created. Nor is debt per se even the main problem, as many monetary reformers think. The problem is more the incomes and thus especially the lower incomes. Those who receive higher incomes still have it very good in the Netherlands and will continue to do so. But especially those who have a lower income that is also relatively getting lower and lower, those people and income groups are actually the only ones facing a financial crisis. Which is not even so much a debt crisis, but much more of an income crisis. And that income crisis, if there is no solution (and preferably the most optimal solution being the one I have created), will only increase for many people and also the group of persons who are facing a personal income crisis will only increase. This is partly due to the fact that efficiency in companies is increasing, which means that fewer and fewer employees are needed. But there are also many other factors that lead to the fact that indeed less and less work is present and that this work can also be done by fewer people. Such as there are automation, IT improvements that allow easier work with fewer people, sustainable processes, LEAN production methods (this is actually efficiency), possible use of robots in the future, less physical products used for hobbies and pastimes (more with the computer and cell phone and the like), etcetera. What all this etcetera now means or will mean I do not yet have a complete picture of. But that does not matter. The fact is that there are all kinds of developments that ensure that labor is not even needed anymore and probably will be needed less and less.

First, it must be made clear that the financial crisis is or was not so much a debt crisis, but much more an INCOME crisis. Low incomes or reductions in incomes not only create debt, but it becomes more difficult to be able to get rid of that debt with low incomes. Especially when, as in this day and age, many fixed expenses already come off that income. There is simply little left to pay off the debts. However, there is, of course, much more at play. But in the end, it matters how much is left for saving and or debt repayment after all expenses. If both saving

and debt repayment are not even possible anymore. Not even after or with hard work. Then a problem arises. Not only for the individuals concerned, but also for all companies and also the government in the Netherlands but also beyond. And since this kind of problem is now not only in the Netherlands but increasingly throughout Europe, the crisis is far from over. Indeed, this crisis (income crisis) will only get worse..for individuals, companies as well as the government. IF there is no monetary reform. WITHOUT monetary reform, the crisis is far from over and will only get worse and worse in the coming years ( AFTER 2014). WITH monetary reform it CAN get better...and even much better. However, that depends especially on the content and quality of the monetary reform. If monetary reform is chosen as proposed by the groups and individuals affiliated with the International Movement for Monetary Reform or the proposal of David Graeber / Occupy. Then it will not lead to improvement. In fact, if such a theoretical solution is introduced, the situation will only get worse. The only path to profound improvement, is to introduce my Excellent Monetary System. A system that does NOT advocate nor is it based on full reserve banking (as the Chicago plan on which most monetary reform proposals are based proposes). My Excellent Monetary System is also NOT a replacement for the current monetary system, but a complement to this current monetary system. But an extremely awesome complement that will have far-reaching positive effects on society, the economy and the way to be organized.

What is important to understand is the fact that the changes in our society do not fit and therefore cannot be absorbed by our present money system. The current and especially future developments in our society now require a new money system and in the future will require a money system that fits even better with society and developments. Because, the expected future social developments will only make the current financial crisis and problems much, much bigger...IF there is not a timely transition to my Excellent Monetary System. For, my Excellent Monetary System (EMS) provides ample opportunities to deal with whatever future change may occur. In the most logical and awesome way.

## 14. Relational capital

Kenneth Gergen has written an excellent book entitled "relational being" (Kenneth Gergen, " Relational Being : Beyond self and community " , Oxford University Press, Reprint Edition, 2011).

In particular, this deals with the relational being (or becoming) of living beings, especially human beings. However, relational being can also be extended to objects and also capital. By capital I then mean social capital as well as financial capital. If this notion of relational being is linked to my understanding and notion of holoplurism, it offers a great starting point and a way of looking at things to better understand what is going on in society at the moment. Because it may make things more visible and therefore more understandable to more people.

My understanding of holoplurism is a representamen for what is the only real underlying structure and characteristics of EVERYTHING. Really everything (science, practice, economy, private life, monetary systems, other systems, all processes, all ways of organizing) can be better understood and also improved through holoplurism....while really everything CAN have this underlying structure and characteristics in essence, much in our society does not yet have those characteristics and structure fully...and THAT is just the big problem...the cause why things still go wrong. Full optimal holoplurism is probably NOT achievable in reality/society/economy/organizing/family life, but we can and must strive to shape and organize everything as relationally holopluristic as possible.

That is also exactly what I am striving for. But for that to become a reality in society, first and foremost a financial and monetary system based on holoplurism and metasemiotics is needed. Not only at the (inter)national level, but also in companies and organizations and possibly also within and between families and individuals. My EMS is the most relational and holopluristic system possible...in reality. It is capable of adapting to whatever changes occur in current and future society.

I think most people actually realize and can see that the current monetary system and the current possibilities of money and economics (resulting from the

structure and content and rules of the monetary system) are not exactly relational. That the current monetary system sometimes forces us and also organizations and governments to not take everything into account. For example, companies' financial policies take into account their own income and expenses, but cannot or will not sufficiently take into account those of their employees and or customers or other partners (organizations). More profit for one organization means less profit or revenue for another. In principle, this SHOULD not be a problem, but it becomes one if it causes insurmountable deficits in other parties. Because the revenues become the same or lower than the expenditures that are made/done. Whereby the expenses can probably also be partly reduced of course, but the question is a) whether this is actually possible in the longer term and b) whether this is desirable and c) what this reduction in expenses will mean for those who receive these expenses.

My EMS, as I have indicated before, is NOT a replacement for the current money system. It is an ADDITION to it. And that very complement allows for the transformation (transformation) of the current illogical and non-relational capitalist system into a completely logical and relational capitalist system. In which both financial and social capital can and will become more and hopefully much more socially relational. Financial and social capital is also completely relational and also socially related; if the financial or economic system (both stemming from the fundamental monetary system) is not logical and therefore less social then it also directly affects social capital and social manners in organizations, families and government.

However, there are still several counterarguments or arguments not to introduce my EMS when I talk about it. At the moment, as far as I know, these are mainly the following counterarguments :

It is said-so people think-that money no longer has any value if it is just created " out of thin air." People think that money has and must have an intrinsic value, and that otherwise our money and our monetary economy and system will not and cannot work. So those people also think that if money did get created out of nothing, then it would have no value in practice and therefore would not be useful and practical.

So following and following 1), people generally think, as do many economists, by the way, that money must have intrinsic value. But also that that intrinsic value is best represented by gold and should be.

People say and think that (much) more money in our economy will lead to inflation. This shows the assumption that people think they know and know that more money is the cause of inflation and always will be, regardless of the circumstances in society or the economy at that moment and also regardless of how the government deals with this and which rules it does or does not adapt in order to counteract or completely eliminate this inflation - if it occurs at all.

I will and am only going to discuss (counter)argument 1 and 2 in more detail here, but have already done so for (counter)argument 3 in other parts of this book and other texts of mine on, for example, [www.academia.edu](http://www.academia.edu) as well. For all (counter)arguments, substantive counter-arguments can be given. Especially also because much or actually (almost) everything of what is thought and described in those arguments 1 through 3 is based on presuppositions and economic theories and assumptions that are totally wrong and therefore irrelevant. I also explain this in other parts of this book in particular. However, besides this explanation of the (counter) arguments 1 to 3 and why they are incorrect and irrelevant, what is also very important to understand and see is the fact that in our current society and society this is already being demonstrated. Because this current society is in fact already a hybrid of various mindsets and situations, where the fact that certain aspects of any future new monetary and economic situation are already present and also function well and are beneficial in our current society and economy already prove that these also not only can work but are also functional and positive in our society and society.

As for those hybrid conditions of our current economy and society regarding content and relational aspects of our current monetary systems and policies, among other things, the following can be said. Money from nothing has been created in our society and economy for a long time and has also had a positive impact. That money creation from nothing was also not based on planned forecasts or limits as to how much money could be created. That money creation was completely without limits, especially or only the need for money and desire to create this money was the guide whether or not it would and did happen.



The gold standard has been abandoned for many decades and really completely. Money in the present age is not backed by anything else and in fact has no intrinsic value whatsoever. Of course, the numbers in our bank accounts have no intrinsic value whatsoever, the only value they derive from the fact that they are numbers that are in our bank accounts. Or in other words, numbers that are in banking software of banks that all of us accept and are supposed to be able and allowed to represent value, to have.

I posted the following in English on facebook around the end of April 2016 :

“ Life is mostly about making sense out of prospective and retrospective sense making “ bloempjes van catharina” ”

I do not even know a good description for what I mean in the above by prospective and retrospective. I do understand that the more one understands of reality, the more that person must understand what I mean here but also the more of those little flowers of catharina one must see in both reality but more also in the manifold ways and contents of thinking of persons and groups of persons.

As for those so-called flowers of catharina in sensemaking, the above reported regarding arguments against my monetary excellence system is a good example. Really all arguments against are based on certain presuppositions, illusions that are not correct. And they do not hold true because they are based on presuppositions that do not hold true in present times because our present monetary system has different properties than those in the past or than the properties assumed in economic thinking and economic (un)understanding.

Another way of explaining a certain aspect of misunderstanding about the current economic system and the current monetary system can be given when looking at the relational aspects namely the following 2 relational aspects :

The link between gold and money that is supposed to be present in today's economy and society

The link between labor and income that is supposed to be present in today's economy and society.

Hereby, 1) is an example of what I call "retrospective sensemaking" in the above and 2) is an example of what I call "prospective sensemaking" in the above. At least, if it is understood and explained that both 1) and 2) are examples of "flowers of catharina" in our sensemaking.

The link between gold and money no longer needs to be there, nor did it need to be there from a certain point in the past up to and including the present time and the future time. The link between labor and income no longer needs to be there or at least a lot less and in a (very) different way from the present time from a certain point in the future up to and including pretty much the rest of the future time after it. Whereby a reversal as far as the link between labor and income is concerned will (can) take place from the moment of the introduction of my Excellent Monetary System.

With this example, however, it is good to understand why the link between gold and money was there and why the link between labor and income was and still is there. That why is difficult to understand in its completeness because, of course, in both issues/links there are multiple causes and arguments. In general, both 1) and 2) are results of assuming that money has value. Labor and gold also has value. So for both labor and gold, money will have to be given or something else of value. Usually money is used for it. However vice versa, it is not true that for money, gold must also be given. There are many other things of value that can be exchanged for money. But in addition, at least in today's times, money does not even have to be exchanged for anything. Money can also be made available completely free of charge in certain cases, and those cases may and can be more and more present in the present age. Much more so than in the past.

Indeed, in the past, money not only was and had to be a motivating factor in getting labor done, but money was another way to properly support the scarcity of goods and labor. Since goods and services were scarce, those who could perform labor had to do so as much as possible. To do so, they also had to be motivated, especially also with money because social motivation factors were

also less present in those days and also working conditions due to lack of tools to improve them and less clean and good buildings were a lot less than in our time. And then I am not even talking about legislation such as occupational health and safety laws that have dramatically improved working conditions and thus also social motivation factors to continue working, or at least could do so if the legislative body would also check and enforce compliance much better than is the case nowadays.

Anyway, so because of the scarcity of goods and services in the past, work had to be performed to the fullest extent by people who could do it. Now that is no longer necessary; goods and services are not exactly scarce anymore and there are also more than enough workers to actually produce what is really needed in our society. Also because many individuals are increasingly able and willing to perform much of the work themselves as well and do it themselves in their spare time. These situations will only increase in the future, so labor will also need to be performed less and less.

Thus, the need for income that does not come from performance of labor will only increase in the future. Another solution is to achieve higher income for less labor, but that is only part of the solution to avoid problems in the future. After all, there are more and more people who do not even work during certain periods or for longer periods of time. Those people also need to receive income. Realizing that income or having it realized by those still working is not realistic and also totally unnecessary, Why this is so I have already explained in other parts of this book. My Excellent Monetary System is the perfect solution to completely decouple labor and income or at least where necessary and desirable. And thus, in addition to being a solution of and for the debt crisis (problems of the past and present time), it is also a solution for problems that will arise in the future and will be much more prevalent if the current inflexible and rigid and illogical monetary system is continued.



## 15. Gold standard versus EMS

Many issues and views emerge in the broad debate about the debt crisis and the economy in general. Most of the issues being discussed are either significantly or totally irrelevant, or they are raised from a totally false understanding -or even a complete misunderstanding of the matter being discussed.

If something needs to be understood or, more importantly, changed. Then a fundamental and relational understanding of the so-called "elementaries," the most important fundamental "building blocks" and foundation is really essential. And if these essential building blocks are chosen incorrectly, as also happens in part in today's economy, then it leads to considerable problems for individuals, organizations and society.

An important elementary/building block of the monetary system is the understanding of money. In which it is generally believed that money has primarily intrinsic value. From this also follows the belief and misunderstanding that money must always have intrinsic value and as such should be backed by gold. However, this is a misconception; money does not need to be backed by anything at all in order to acquire and have intrinsic value, because money in its essence has only a relational, external value. The current situation proves this by the way because since breton woods most money is already not covered by gold. The complete coverage of money by gold was abandoned then, and that decision in sich has only benefited our economy a lot. Also because there is too little gold in circulation to fully cover at all the money now present in society. Let alone the money that is really needed in our society; this is significantly more than the amount of money currently present in our society with today's developments and society. In any case, more money is needed to rebalance the economy and society, and much more money is needed to adequately support and drive current and future developments in society.

Friedrich Hayek liked the gold standard in itself, but had the following to say about it, among other things :

“ It will be noticed that none of these points claimed in favour of the gold standard is directly connected with any property inherent to gold. Any internationally accepted standard based on a commodity whose value is regulated by its cost of production would possess essentially the same advantages “ ( Friedrich Hayek, “ Individualism and Economic Order, The University of Chicago Press, Paperback Edition 1980, Pagina 210)

and

“ Mainly the irrational, but no less real factor of its prestige-or, if you will, of the ruling superstitious prejudice in favour of gold, which made it universally more acceptable than anything else” (( Friedrich Hayek, “ Individualism and Economic Order, The University of Chicago Press, Paperback Edition 1980, Pagina 210)

If these statements by Hayek are critically examined here, he says that in fact a linkage to something other than gold could have the same advantages. But that because of the prestige of gold, a linkage to gold will be the best.

However, what Hayek fails to understand in doing so is what most economists and non-economists do not understand even in the present day. Namely, the fact that money therefore does not even have to be linked to anything else, and that not linking money has many advantages. For the past several decades, money has not been linked to gold, and that fact has only brought benefits. Further decoupling money by also decoupling at least some of it from taking on debt will only dramatically increase that benefit, but it will also put the economy back on track and really support random whatever developments in the society of the future in the best possible way. Therefore, my Excellent Monetary System must also become a reality as soon as possible.

Within the EMS I have created-just as in the current situation created after Bretton Woods-the value of a coin or currency will generally depend not on the intrinsic value of the money or currency, but rather even more and preferably entirely only on its external,relational value. Money and currency will then take on

more the character of a so-called " sign currency," where the value is determined by the sign we all use for it. But moreover, money and currency will not only be a sign currency, but also more and more a sign number. If even in the present time it is already the case that much money and currency has long had the character of such a sign number. Being a number with a certain currency sign behind it (EURO, Pound, US dollar etcetera). As long as this is generally accepted and these characters and behind them the currency are also within the banking system (in the present time " only" banking software on a (bank) computer system), this works and will continue to work. Because these numbers within the banking system are considered and accepted by everyone as real money. And they are, of course. Because, again, money is an incredibly multifaceted relational arrangement. Nothing more, but certainly nothing less than that.

Gold has been decoupled from money for decades, and it works. And even the same or better than the situation where the gold standard-the linking of gold to money-did still exist. Economists who still argue today that gold should become a basis for money are, like Willem Middelkoop, intent on going back to the past based on a misunderstanding of what money is and what would be needed in our economy and society. Money does not need to be backed by gold, it is completely unnecessary. Numbers have been accepted as money for decades and it works. When I or anyone else transfers money through Internet banking, we are in fact just transferring numbers..numbers that are transferred within bank software and also through and between bank accounts, but those bank accounts within the bank software are ultimately just numbers. Just numbers, but therefore numbers within the banking system. If those same numbers are outside the banking system (for example, in this book or on an Internet page or on a piece of paper) then obviously those numbers are not money and will not be able to function as such and therefore will not be accepted as money.

However, the fact that money is now basically nothing more than number money does have a lot of advantages. And those advantages will only increase if and when the Excellent Monetary System is a reality.

Money does not have to be backed by gold, but it does have to be at least sufficiently backed or able to be backed by money. Just as the value of certain goods, especially houses, do need to be at least sufficiently covered by money. We have seen in recent decades that more houses are for sale, and that these

houses are also for sale longer. This may also have to do with the fact that the value of those houses cannot be adequately covered by money. By mortgage money and by the money that is generated to be able to actually pay back those mortgage debts (that arise with mortgages) in a reasonable period of time.

So houses, relative to wages and labor, have apparently risen too much in value and therefore price. If too many people want to withdraw their money from a bank, that leads to problems because the demand for money is and becomes too high at that time. A bank then does not have the money to meet the total demand for money. The same is apparently happening now with houses. Because the prices of houses are getting higher and higher and banks can no longer provide mortgages up to those heights, or at least to a much lesser extent, fewer and fewer people can actually afford a house and so more and more houses are coming up for sale and for longer periods of time.

This can and will also be solved, at least in part, if and when a further decoupling between income and employment takes place. And if indeed people's debts also decrease. But that decrease in debt is and will be a direct result of, take place, if and when the further decoupling of income and labor can and will become a fact. If and as soon as the Excellent Monetary System becomes a fact.



## 16. Full versus fractional reserve banking

There are several groups and individuals who propose full reserve banking as an alternative to the current money system and way of creating money . One group proposing this is the Positive Money UK group, and an individual proposing this is Willem Middelkoop. But there are obviously many more people who propose this, including Martijn van der Linden and many others who do not yet understand enough about money, money systems and monetary policy.

Willem Middelkoop cites full reserve banking as a necessary replacement for the current money system and says that gold must go up in value and money down in value to make Full Reserve Banking possible. By the way, this is the same Willem Middelkoop who has a strong interest in gold and a good gold market.

The Positive Money UK group-part of the International Movement For Monetary Reform-is also in favor of full reserve banking. One refers to Irving Fisher but also to the text "The Chicago Plan Revisited" (Jaromir Benes and Michael Kumhof, " The Chicago Plan Revisited" , IMF, 2012). Stichting "ons geld" in the Netherlands is also part of the International Movement for Monetary reform and still wanted replacement of the fractional reserve banking system to the full banking system at least through 2016. That comment of mine that stichting ons geld wanted that at least until 2016 is important to juxtapose my 2011 book and its content with the content of all the groups and individuals who were working on monetary reform but then their content and messages from 2011 to 2016. To understand and name the differences. Should it become clear in the future that I am the one who first came up with correct understanding and still do and that I am at the forefront of that. However, because I have also proclaimed and published parts of my understanding, including on the Internet. And because among others people involved in or communicating with groups like positive money and our money can and could read this also partly. Perhaps those persons and groups are also slowly taking over understanding from me. Which is partly good, but of course in the end I have to get the kudos for my work.

What both Willem Middelkoop as well as Positive Money and the International Movement for Monetary Reform members want is a replacement of Fractional

Reserve Banking to Full Reserve Banking. Several groups are affiliated with the International Movement for Monetary Reform, including in Germany the "Occupy Money" group or initiative. This Occupy Money refers to Positive Money UK as being a good source and explanation of what would really be wrong and going on in the UK, US and just about everywhere else in the world.

In addition to Positive Money and Willem Middelkoop, there have been reports from the IMF and the Sustainable Finance Lab on the idea of Full Reserve Banking. Whether or not referring to Positive Money and/or the Chicago Plan. The IMF report I am referring to here is entitled "the chicago plan revisited" (Jaromir Benes and Michael Kumhof, " The Chicago Plan Revisited" , IMF, 2012) and the Sustainable Finance Lab report or research is called "Full reserve banking- An analysis of four monetary reform plans" ( Charlotte van Dixhoorn, " Full reserve Banking- an analysis of four monetary reform plans, Sustainable Finance Lab, 2013). This report "the chicago plan revisited" by the IMF (2013) discusses cq the 2012 vision of Positive Money and New Economics Foundation, Kay's idea of Narrow Banking (John Kay, " Narrow Banking- the reform of banking regulation" , 2009) and finally also Kotlikoff with his Limited Purpose Banking idea (Laurence J. Kotlikoff. Jimmy Stewart Is Dead. John Wiley & Sons, 2010)

What Full Reserve Banking generally wants is full coverage of bank deposits. The Positive Money/New Economics proposal also provides for a control of the amount of money in circulation and some calculation thereof. In which, according to Positive Money/New Economics, the money supply should be controlled and regulated so as to prevent inflation.

Willem Middelkoop is pursuing a linkage of money to gold in addition to Full Reserve Banking. This need to link money to gold - something that (almost) all initiatives, groups and individuals who want to introduce full reserve banking also propagate/want - is based on the premise that money has intrinsic value and that this intrinsic value of money is really the only real value of money. This presupposition ensures that (almost) all parties seeking full coverage of bank deposits (Full reserve banking) also desire a linkage of money to gold. What is perhaps even more interesting, however, is the fact that the drive to want to link money to gold and the corresponding presupposition that gold has intrinsic value also seems to stem from a drive for and need in physical tangibility of money.

Which may also partially hinder a full transition to non-physical money and thus a full transition to my Excellent Monetary System. While this transition is needed to make our money and monetary system not only easier in terms of practical matters but also radically improved.

Charles Sanders Peirce in his semiotics talks about Firstness, Secondness and Thirdness among other things (Charles Sanders Peirce, " On a New List of Categories" , Proceedings of the American Academy of Arts and Sciences 7,1868 ). Thereby firstness is the representamen, secondness the object and thirdness the interpreter. Fascinating is to thereby understand WHY in this triad of Peirce the representamen is referred to as firstness and the object as secondness, and not the other way around. Furthermore, it is very good to understand - regardless of whether Peirce intended it that way or not - that a firstness does not always need a secondness, but moreover also that a thirdness without a secondness (the object) is not only possible but is becoming more and more possible in the present time. And that this thirdness has many more possibilities without a link with an object or the in this sense inferior secondness to thirdness.

Really more possibilities, however, can become reality once one comes to an even better understanding of representamen, objects and interpreters and realizes that a ranking or linear or matrix structure between these 3 is not only unnecessary, but also limiting. IF there is First, Second and Thirdness at all, then the question must be asked whether perhaps the interpreter should not be First and the representamen and or object the Second and Third. And whether indeed the object cannot simply be omitted.

Specifically, as far as money is concerned, the object or the representamen money or the representamen representing the theory of money and economics should indeed better NOT be seen as firstness or as that which is leading....something that does happen in present times and to which the proponents of full reserve banking want to go. Because they do not yet sufficiently understand that the "tools" money and economic theory should not be leading, but that the interpretants should be. That the PURPOSE is most important, and that the TOOLS or means can be adapted to that...or at least can and should be adapted as much as possible wherever and whenever possible. In order to arrive at the most optimal situation. The trick is to arrive at

transformations of representia (plural of representamen) and objects via other content of interpretants so other interpretants. An optimal methodology for this is what I myself have created and referred to as phronesis antenarrating. This is partly described in my ebook on amazon/Kindle.

The story of ROI (representamen-object-interpretant) according to the Semiotics of Charles Sanders Peirce (Charles Sanders Peirce, " On a New List of Categories" , Proceedings of the American Academy of Arts and Sciences 7 (1868), pp. 287-298) has, of course, like everything else, many sides and angles. I already describe here and in other of my works, at least I try to, that the general basis from which Charles Sanders Peirce considers his semiotics and therefore ROI is inferior. There is a better way of looking at it that does much better justice to the concepts he puts forward. I also happened to wonder a couple of weeks ago whether Peirce may have deliberately referred to Representamen and Object and Interpretant as Firstness, Secondness and Thirdness respectively, while he may have already understood at the time that a) this order of precedence may be better viewed and understood/viewed the other way around and b) that it may be much better not even to start from this order of precedence, that an understanding of Representamen and Object and Interpretant WITHOUT assigning an order of precedence to them leads to much more possibilities for society in general and in particular.

However, I think Peirce did not adequately grasp both (a) and (b), and that this prevented an actual most grand elaboration of his semiotics at the time.

My own understanding of ROI and the additions I try to describe, among others, above. Fall best when these ROI actually start to "live". For this, ROI must be discerned and recognized in the society in which we live. Regarding matters relevant to a broader understanding of what is going on in society regarding the economic crisis, but also regarding the lack of understanding that is still alive regarding the economic/financial crisis by probably Occupy Money, Positive Money and all the other organizations and individuals who are currently (early 2014) still proposing Fractional Reserve banking, the following is one of the things to mention about this. To perhaps better clarify also WHY fractional reserve banking will not be useful. The following examples and also the reasoning around them follow among other things also from broader understanding I have built up over the past few years and additionally from

broader explanation of parts of it. My understanding with respect to semiotics follows among other things from the fact that for a number of years I participated in the Peirce-L list on the Internet, where various philosophers and intellectuals interested in Peirce's work discussed and debated. In addition, however, it is true that a few years ago, based on Peirce's semiotics, I myself developed the much more powerful meta-semiotics.

As for the examples. When looking at representamen, object and interpreter. First, I want to note that as far as these concepts are concerned, it is extremely important HOW they are understood. Mainly also what underlying structure underlies them or is assumed to be present. In almost all cases of the realities around us, ROI is misunderstood both in terms of its content and in terms of its relational dependencies or independents. This misunderstanding leads to mistaken visions of not only how reality is, but also how reality could be and become. A better understanding of ROI and what it can be has immediate implications for the society we live in and the possibilities for it. This is something I hope to make clearer in this text. Using the examples I give now but also additional texts I want to write about the role of ROI and misunderstanding of it in the misunderstanding of my Excellent solution. This is about a transition in thinking needed to understand and enable the transition of the Monetary System.

It is now time for reforms of capitalism, which will lead to several financial and, above all, social revolutions. The monetary reforms are a first step toward that. These monetary reforms may be better termed as being an amazing, brilliantly beautiful monetary revolution. This is the biggest change in society ever and the consequences will be and will become immense. So it is indeed a monetary revolution, but a revolution from which both governments and individuals as well as organizations will all benefit. And a peaceful revolution, of course.

My Excellent Monetary System has now- anno 2016- been fully ready to be introduced for a few years. The first phase of introduction of my Excellent Monetary System- the actual introduction of the Excellent Monetary System which also means the end of the debt crisis- could have been introduced a few years ago IF only 1 government in Europe, the US and/or any other country had actually introduced this EMS. In 2011 I already published a book detailing the innovation of the money system leading to the EMS. Furthermore, among other

things, it already states what else my EMS can accomplish, things that will also become reality in and with the next stages of EMS implementation.

In recent years I have spent a lot of time networking and further communicating my EMS also where needed and effective enough. The fact is, however, that unfortunately I have not yet had sufficient opportunity to do so where it is needed and desired. With the politicians themselves. Because ultimately it is the politicians who will have to implement the EMS. Preferably they will let me do that and supervise it, because otherwise I fear that the EMS will not be implemented optimally. At the moment, anno 2016, there are several proposals from groups and also individuals who say they will or can change the monetary system. However, all those groups are working with proposals that cannot and will not work. The only and most effective intervention needed to actually transform the monetary system into a monetary system that will end the crisis AND lead to a sustainable money system fit for the future is transformation of the current prehistoric money system into the Excellent Monetary System I created. THAT is the only right choice and that choice should have already been made. The EMS must be implemented as soon as possible, then the whole society and humanity will have a much better and healthier and more enjoyable future.

So what's wrong with the idea of full reserve banking? At least more than enough. One assumes with this proposal that money must be fully backed. Which is not true at all. Because, contrary to what is assumed in proposing Full Reserve Banking, money itself has no intrinsic value....the value of money is determined by the rules of the money/monetary system. Those rules do make reasonable sense even in the present age and are not even really that much of a problem...the problem is much more in the fact that there is too little money for the way money is allocated in the present age and the number of entities to which the available amount of money is allocated. Debts have also become the problem for this very reason, not just purely because of the fact that debts are a problem but more because of the fact that there are more and more individuals, groups and organizations in society that cannot generate or receive enough income to be able to continue to pay the costs one has. Let alone be able to pay off debts. On the contrary, those debts are only increasing. Because of too little or too low income. So the problem lies more in low income and relatively high expenses relative to that income. Together with, indeed, quite high debts that already existed and also arise from a lack of resources (income) to be able to continue paying total expenses and debts.

Money creation and money allocation are very closely related. Money creation determines how much money is available, and thus also HOW much of this money can be allocated. As far as allocation itself is concerned, it is important to HOW many entities this money must be allocated, but also determines HOW much of the available money supply those entities need.

Despite the fact that in a well-run economy (the one before 2008) the velocity of circulation of money was quite high and also was and has been increasing through technological innovations and changes, even in that well-run economy there was TOO LOW MONEY in circulation. That some of this money was put into circulation through fractional reserve banking does not matter. But it also does. After all, this money also had and still has value, only the problem is that also via this fractional reserve banking there was too little money in circulation for the rate and character of growth of entities in our society. Entities that all in a different way and generally also needed and have more of the total money supply.

So Fractional reserve banking was and is NOT " the problem" that our economy and society was and is facing. And Fractional Reserve Banking has never been a problem either, quite the contrary. Because although it was and is not a problem for solving the debt crisis itself that money was created through fractional reserve banking, it was and still is important for the economy that this fractional reserve banking - insofar as the current way of money creation and mortgage lending by local banks can be called such - is maintained. The reason for this is the fact that so much money is needed in today's economy that both full coverage of money with gold as well as full coverage of bank deposits is completely unrealizable. But in addition, such full coverage and thus linkages of gold with money and whatever is available or appears to be desired at the time have a completely stultifying and negative effect on the economy and society as a whole.

The fact that such a relatively large amount of money was created in the past was only possible because the link with gold was abandoned in the past and there is and was the current way of banking. The question is whether the current situation can be called fractional reserve banking. I myself am of the opinion that this is not the case, but since the term fractional reserve banking is so widely

used to designate the current monetary system but also for easier communication and comparison of situations, I will keep the term fractional reserve banking in this argument as being the current way of money creation and supply by banks as it is explained and presented by the organizations affiliated with the international movement for monetary reform. The fact remains that IF money AND the additional debt had NOT been so created by the banks at the time, the pre-2008 prosperity within the current monetary system would not even have been possible at all. The debts that were and are being created are-often by themselves-not even the main problem or a problem at all. The main problem - or perhaps the REAL problem - is that money has been and is being allocated in the wrong way and that is partly due to the problem that the total amount of money in circulation is not sufficient for sufficient allocation of money to all entities that require it in today's society and economy.

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What will be needed to get the economy running normally again, and better than ever, is introduction of my Excellent Monetary System. This consists of several phases, the first of which is introduction of the system. This will solve the debt crisis right away, but not yet all the adverse effects that this debt crisis has had on society. At least not right away. To solve but also partially eliminate these adverse effects, some sort of compensation is needed for the reduced income that workers and others have suffered due to the crisis. This could include lower incomes of temporary workers in particular, these will still be able to be paid after the introduction of my EMS. People with mortgage debts will also be able to be partially compensated or accommodated, but it will have to be carefully examined to what extent this is necessary and desirable and, above all, justified. The fact is that after the introduction of the EMS the monetary policy can and will be such that everyone's income will improve anyway and to a sufficient extent so that debt generally will no longer be a problem. They can then "just" be paid off again to a sufficient extent. As was the case before the crisis, but from then on (once the EMS is a reality and the corresponding monetary policy is implemented) everyone can also be sure that debts can really always be paid off to a certain, reasonable degree. Where of course it cannot always be so since people cannot be allowed to spend irresponsibly.

The social credit theories (Clifford Hugh Douglas, " social credit" , Eyre & Spottiswoode (Publishers) Ltd. London,1924) are perhaps a little bit (a little bit but certainly not much) close to what my Excellent Monetary System aims at and will achieve. Among other things, Douglas wrote the following: "Systems were



made for men, and not men for systems, and the interest of man which is self-development, is above all systems, whether theological, political or economic."

( Clifford Hugh Douglas, " social credit" , Eyre & Spottiswoode (Publishers) Ltd. London, 1924)

At least he - Douglas- seems to have understood that money is a means and not an end. In the present tid, because of a LACK of money from many parties and for many means, it is often the case that real quality cannot even develop properly or that one has to go to great lengths because one does not have or cannot get the finances together to come to full fruition. Pirsig in his book " the art of motorcycle maintenance" goes in search of WHAT quality is. This search of and realization of WHAT quality is, however, is particularly important to the in my view even more essential question of HOW quality can be RECOGNIZED.

Personally, I believe that quality lies in processes, in the best and most logical processes possible. Of which Excellence is in turn determined by the quality of sensemaking. Besides being a master in change management and a social practitioner, I am also an expert in sensemaking. The collective sensemaking of our society is currently far too much determined and also limited in action and doing by the obstacles that exist due to a strong lack of money. My Excellent Monetary System will solve many of those obstacles.

I have sometimes made the comment that my EMS is changing the DNA of the economy. Which it does. But money itself is more the "blood" for the economy, that which keeps the economy running and more or less " fueling" it. However, money also gives a lot of "air" to individuals in the economy. As such, money and our money system has many functions, for various entities in our society.

As far as air is concerned, everyone should imagine that there would be too little air in our society. That then, through 1 or other scientific breakthrough, air would no longer be necessary, but that from that moment on we could live with numbers or something else non-physical without needing air. This non-physical or those numbers then replace the phenomenon of air in our society, at least as far as our breathing is concerned.

Next- in that situation where numbers are not only a representation of the object air, but where numbers can and do completely take over the OBJECT function of air. For the functioning of the respiratory function and thus the functioning of people/individuals in our society. Then a problem remains because those air-numbers are not multiplied/additionally produced. Because "we" as individuals and collectively have not yet been able to make the transformation of an actual transformation from object-oriented thinking to representation/object-oriented thinking and being able to let go of certain connections that are not really there but are socially constructed in our thinking and doing.

This situation is pretty much, roughly speaking, what is going on in our society right now. MUCH more money is needed in our society. That money can also be created and more easily than ever because number-money has been around for a long time now. The number-money is already being used and also very successfully, and gold is almost to no longer being considered. Certainly for lower-income earners, gold is no longer important at all, but the numbers are...because that number money can ensure that one can provide for the necessary minimum needs and pay off debts. And that is why those numbers within banking systems are worth so much. Only there are too few numbers at the moment...while they can be created so easily...if and as soon as governments can switch to representation/object-oriented thinking and let go of certain connections.

Full reserve banking is not the solution for our economy. Pure and simple or only fractional reserve banking-or whatever the current way of banking should be called-is ALSO not an option. What needs to happen is more income creation. Regardless of debt and how it is created in the current era. What is needed for that is precisely NOT a transition from current ways of banking to full reserve banking. On the contrary. The way of money creation by banks for mortgages (i.e. for debt but also for some money creation) is NOT detrimental to our society and economy. And never has been.

What remains to be done now is that the method of money creation as banks do. Is expanded. And applied not only to creating money for mortgages, but precisely to creating money for incomes. In fact, the INCOME SIDE must go back up to

restore the balance between income, spending and therefore whether or not debts are created and maintained. The debts will gradually disappear IF there is enough income in return.

Furthermore, some kind of re-calibration or recalibration of the Dutch Economy is needed anyway but more for specific cases. That re-calibration will have to consist of correcting incomes also toward the past. This means that individuals who in the past have really demonstrably earned too little, should in fact receive sufficient compensation in the near future. This could include correcting wages that are too low, social security payments that are too low, compensating people who now have to contribute or have to pay for transportation to work, compensation for those who have not received a 13th month in recent years. Things like that. I am not saying that really ALL of those things should be compensated again, but I am saying that in all reasonableness it is best to look at it and that it will greatly benefit the economy if those kinds of corrections are at least partially implemented. In addition to the debt solutions that are absolutely necessary for public debt and also partly for private debt.

## 17. How much is enough

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How much is enough. This is a very essential question, of course. A question also that is very important especially in relational terms and at the same time can be fascinating for reflection and also improvement of insight.

In English, it translates into "how much is enough." Robert and Edward Skidelsky wrote a book titled "how much is enough-money and the good life." (Robert & Edward Skidelsky, " How much is enough? Money and the good life" , Other Press, Reprint Edition, 2013)

Hierin verwijzen ze onder andere ook naar de tekst "economic possibilities for our grandchildren" van John Maynard Keynes. (John Maynard Keynes, " Economic possibilities for our grandchildren" , 1930)

In that text, Keynes predicts that in about 100 years (that is, around the year 2030), the standard of living would be considerably higher and workers would only have to work 15 or a week.

His text is, for several reasons, a very interesting text. I myself have already written a text following from this text by Keynes entitled "change (management) solutions for us and our (grand) children." It is interesting in several ways to compare these two texts side by side. Especially also if my Excellent Monetary System is understood, or even already implemented. That my system will be introduced, I am convinced. I hope it will be in the next few years, then people will understand that introduction of my EMS was necessary to make at least part of Keynes' predictions a reality. And even before 2030. However, these changes then owe less to economic thinking but more to change management and the efforts of me and many other intellectuals. The EMS I developed completely independently is the very best alternative. The most excellent monetary system which should become the monetary system for the whole world as soon as possible.

Which when I wrote my own, "change (management) solutions for us and our (grand) children," I did not yet fully realize. Or not well enough yet. Was that Keynes does describe a very interesting thing in his next text from "economic possibilities," being the text :

"We are being afflicted with a new disease of which some readers may not yet have heard the name, but of which they will hear a great deal in the years to come--namely, technological unemployment. This means unemployment due to our discovery of means of economising the use of labour outrunning the pace at which we can find new uses for labour. But this is only a temporary phase of maladjustment. All this means in the long run that mankind is solving its economic problem. I would predict that the standard of life in progressive countries one hundred years hence will be between four and eight times as high as it is to-day. There would be nothing surprising in this even in the light of our present knowledge. It would be foolish to contemplate the possibility of a far greater progress still." (John Maynard Keynes, "Economic possibilities for our grandchildren" , 1930)

The one I am referring to here now (no doubt there will be more interesting things in this text of course!), is that Keynes describes that the problems in his time (this text by Keynes was written during the Great Depression in the US) stem from technological change. He also calls it technological unemployment. However, he then writes that it is only a temporary phase of maladjustment. And that humanity solves the economic problem in the longer term.

I myself agree in principle with Keynes that unemployment can be caused by technological change. And I also think that this is also at play in the present time. However, this is therefore mainly due to a misunderstanding of money and monetary economics by mainstream economic sciences and mainstream (monetary) economists. Technology, as far as I understand it, was not the problem of the Great Depression of America, and as far as I know and think I understand it, the economy was doing better again then and after people moved to the Bretton Woods system. So, even then, at that time, it was monetary transformation that led to resolution of the economic crisis. But, the underlying causes of the Great Depression in America of about 1930 were of a totally different nature than the underlying causes of the current economic crisis of 2008

and beyond. Very different issues were at play at that time and also the situation at that time was very different from that of the current 2014 time.

I think that not so much technological changes and the unemployment that that could possibly cause, but much more the effects that it has on distribution of the money supply are the actual causes of economic crisis. At least in the present time, that is in play, but the fact is that the causes of economic crisis in the present time are really much more multifaceted and multiple than those in 1930. But as far as the technological change aspect is concerned, the fact is that because of these technological changes, a greater proportion of the money supply is needed for that new technology and innovation. Also more variety in products, hobbies, the number of people/residents of a country, change processes and investments in the future (education and training costs) and additional services all have a detrimental impact on the economy if all these entities each need a portion of the available money when there is actually already too little. This too little does depend a bit also on which parties in society and also on the general situation in society itself.

But in the end, money always goes to people and not to technology or products or services. However, there is balance or imbalance between income and expenditure, and the problem with any crisis is that that balance is thrown into imbalance for whatever reason. In the case of the current crisis, the big problem as I had mentioned is not so much debt but much more the income position of some individuals, families, organizations and governments.

The situation of 1930 and the Great Depression but also how it was solved (by abandoning the gold standard in 1936) is in many ways interesting for the situation in the present time. Or past-present and future time where past time is pretty much the time from introduction of Bretton Woods until the next monetary transformation. Which hopefully will be the transformation to my Excellent Monetary System, because this system can last forever as long as there is a monetary system and monetary economy. It is the absolute and most excellent monetary transformation ever.

The Great Depression in America, according to wikipedia at the time, was caused by farmers who were in debt and then started producing more. As a result of the fact that demand remained roughly the same, prices fell and this still did not solve the problem that (part of) the farmers were facing. The abandonment of the gold standard in 1936 probably caused a recovery.

As for the gold standard, the following years are significant:

1936 - Letting go of the gold standard

1944 - Introduction of Bretton Woods, reintroduction of the gold standard

1973- My birth year and Letting go of the gold standard.

Actually, I personally still know far too little about Bretton Woods itself. And like most, I do not yet fully understand in all probability what influence Bretton Woods has now had on the economy and whether it has been generally beneficial or detrimental to the economy. This influence of Bretton Woods cannot be understood if also not enough is known of the influence that the move in 1936 (the abandonment of the gold standard then) and of the situation of economies in the years after 1936 up to and including introduction of Bretton Woods. However, I personally think I certainly understand that overall Bretton Woods was only very detrimental to the economy from that time through at least 1973.... This considering that when Bretton Woods was introduced, the gold standard was reinstated.

Quite generally, I think the point of view of Bretton Woods was to secure international and global monetary and financial stability. The reintroduction of the gold standard was an important part of that. But also the institutional organizations that were created. Institutional organizations can obviously be very important for stability, but need not be seen to be so. Much depends therein on the HOW, the content of their monetary policy. And this monetary policy obviously depends quite a bit on the capabilities of the monetary system. A monetary system and its characteristics directly determine the possible monetary policies of governments, banks, organizations and households. As for reinstating the gold standard, the following should also be noted. Although many economists believe they understand that a gold standard promotes monetary and financial stability, in practice this is by no means the case. The intended monetary stability

it achieves is only a false stability. And in many cases, in fact, that gold standard actually leads to rigidity of economies and thus destabilization of monetary and financial policy and reality.

What Keynes overlooks in his text, but may have sufficiently realized in his advice in connection with Bretton Woods, is the large role that possibilities of the monetary system and (followed) monetary policy play in the possibilities of the short- or long-term recovery of an economy. I will further argue in other parts of this book-or in texts or explanations outside of it-why Bretton Woods can be seen as a monetary revolution, but also what was not sufficiently well adjusted at the time and why my Excellent Monetary System represents the single greatest monetary revolution and improvement for society. Introduction of my EMS will be the greatest monetary revolution ever, which will be followed by social and political revolutions, the magnitude of which is not currently realized. Only 1 of the many social revolutions that will follow introduction of my EMS is the scientific revolution. That scientific revolution will also take much better shape if and when my meta-semiotic basis for everything is understood and applied.

In short, then, I have already prepared and initiated several revolutions for our society. These revolutions are all interdependent, and the monetary revolution is the most far-reaching. But, behind this monetary revolution is the meta-semiotic revolution that was developed by me even before I could arrive at also the monetary revolution on that basis. The excellent monetary system stems from my meta-semiotics. And if and when my monetary system is introduced into society, scientific and social revolution can and will also occur as a result. Truly all of these revolutions will have to be based and supported by the meta-semiotics I have developed in order to achieve the best and most effective end result. Insofar as there is an end result because of course our society and society and also science will and must be constantly evolving. The fact is, however, that my meta-semiotics is and will have to become the new guide and support tool for really everything.

What I hope will become clear in my argument about inflation and the Great Depression in America circa 1930 is the fact that technological developments do not even have to be detrimental to the economy. And they are not. There is an entirely different cause behind why economies do not run well. Namely, the monetary system one has to deal with and especially the influence it has on



monetary capabilities and monetary policies of families, organizations and government. Monetary policies and capabilities of all these groups are interdependent, influencing each other. In today's day and age, completely. Especially also due to ONE BIG LACK of money and mainly lack among the lower income groups. This lack of money has many consequences. Also for governments and organizations. Who, as a result of this great lack of money, give more credit to families and other organizations and have to wait longer for their money. More entities in society are spending the money before they have earned it and thus are not likely to spend that money on other resources in society. Further, higher lending to other entities also leaves organizations with less left over for direct spending and investment. And governments receive less taxes as a result. Further raising taxes makes little sense if those taxes are raised on lower incomes. After all, those lower incomes generally already have too much credit, too low incomes and little to no reserves left. Raising taxes there will therefore only result in less spending and thus less revenue from VAT. While it is also true that as a result of lower gross wages and income, less income tax also flows to the state. Thus, especially in times of recession such as the present, it is important precisely to have less tax paid by the lower income groups and to ensure that the gross wages of these groups and individuals also do not fall further but rather are maintained. Increases in gross wages will at all times lead to higher income tax revenues and higher pension income. Since both revenues for government and pension funds are directly related to the level of gross hourly earnings and monthly and annual gross earnings.

In and with the Excellent Monetary System, this situation becomes at least partly completely different because within and with the Excellent Monetary System really all taxes can be completely abolished financially. I am referring to both income tax, VAT, excise taxes on gasoline but also all other taxes. These taxes then, in principle, only need to be held where it serves a social rather than a financial purpose to continue to tax. The banning/abolition of taxes also has the advantage that far fewer agencies, employees and thus work and activities will be needed to ensure that government expenditures can be paid for. It is, in that respect, much more "lean" to just really abolish taxes as much as possible. Forever. With and within the EMS, that is not only a more logical but also a perfectly feasible and positive action.

To my comment above, that increasing taxes in the current time and with the current monetary system only leads to less spending and therefore less revenue

from VAT, a comment should be made. Being, that this comment does of course depend on more factors. However, as far as I can oversee and understand now, and I think that is all that is of influence and importance here, that will only or mostly be the fact of whether and how much governments will spend the extra revenue from any increase in taxes again. As it stands, however, governments and especially the Dutch government are not going to spend more, but rather less. The government is cutting back sharply in its government spending, and in addition to that, they are still trying to get more government revenue. Both the former (cuts in government spending) and the latter (attempting to increase government revenues) are - within the current monetary system that people are now working with - both disastrous for the economy, but therefore also for government revenues in the longer term.

“For many ages to come the old Adam will be so strong in us that everybody

will need to do some work if he is to be contented. We shall do more things for

ourselves than is usual with the rich to-day, only too glad to have small duties

and tasks and routines. But beyond this, we shall endeavour to spread the bread

thin on the butter-to make what work there is still to be done to be as widely

shared as possible. Three-hour shifts or a fifteen-hour week may put off the

problem for a great while. For three hours a day is quite enough to satisfy the

old Adam in most of us! “(John Maynard Keynes, “ Economic possibilities for our grandchildren” , 1930)).

So in previous passage of "economic possibilities for our grandchildren," Keynes predicts that by about 2030 we will only be working during the week and that that would be enough to satisfy our need to be busy. What Keynes probably overlooks here, however, is the fact that there is quite a difference in people and that part of us apparently has a greater need to be busy with work for longer and more while there is also a part that wants more and more and more and more and therefore wants to earn more and more and more and more. And puts all the time possible into that, regardless of whether it is enough already. The question of "how much is enough" then arises. How much work and occupation is enough, how much money is enough, how much appreciation is enough, how much security is enough. Those kinds of questions..and combinations of these how much is enough aspects. And, what is perhaps even more important, is the question of "WHAT is enough?" which looks more at substantive things than at quantitative aspects. How much is more about quantities in general, while in life and in society it is ultimately more about qualitative things. Hence the greater value of qualitative research over quantitative research especially in the social sciences and practice.

I have commented here before that the question "How much is enough" is more about quantity than quality. A lot is in fact quantity, while it is quality that matters. Not about objects or things to have. But more about what you can do with it, also in relation to what is needed. Especially in the present time, people seem to need less of many things, and I think this is true. Especially also perhaps because many physical goods are being replaced by non-physical goods and services. The Internet is playing an increasing role in this.

In asking how much is qualitative enough, we move from quantitative financial capital to qualitative social capital. That step from qualitative to quantitative in our society and thinking will also have to be preceded by the same step/transformation from quantitative to qualitative in our thinking. So also in our thinking about and understanding of money and monetary systems. The Excellent Monetary System is also a qualitative monetary system, a monetary system which at first appears to be about financial monetary but which actually replaces the current financial monetary system with a monetary system that is

much more based on and supportive of a social monetary system. And thereby supporting the transformation from financial capitalism to social capitalism.

At the moment, the biggest problem is really, not enough money in circulation. This leads to deterioration in social capital and problems in the present time and with the present monetary system. In my new monetary system this is not the case, but just solving the problem of too little money in circulation is not enough. The current economic crisis is not so much a debt crisis, but much more an income crisis. That income crisis can only be solved by also and especially by adjusting monetary policy. But, that can only be done with my new money system. And by the HOW of decoupling labor from income. Without that decoupling of labor and income, more money will only result in more money going to the rich and more money going to products and services. And so it will flow back to the rich.

Raising minimum wages and eliminating taxes are both important steps to be taken once the EMS is in place. Although I mention and also describe this in detail here, I would now like to make the comment that in practice it will of course have to be seen how much minimum wages should be raised and how much taxes should be reduced. This must all be seen in relational terms, and in practice, of course, what is necessary and what is desirable and feasible will also depend on more factors. But the fact is that wages and labor need to be decoupled, especially given the increasing efficiency and greater role of technology and robots and the like in society. Now and in the future.

People always want more, that's a fact. That freedom is there now and should remain there. But we also have to see, in part, whether things have to be managed. Perhaps also especially in terms of the financial. For example, I personally think it would be a good thing, in principle, if the level of incomes of public sector employees were to be restricted as envisaged in new laws in the Netherlands. Certainly in today's situation, but I think it is actually a good thing if this remains so in the future. Also, and I think especially for some financial income from work, at some point there must be enough for an employee. And if not, those who are on an income which is 5 or 6 times more than the income of a regular worker should just make sure they make extra money on the side in some other way. Which will probably also become much easier if and when my

EMS is in place. Especially also if from this follows the monetary policy of the government to start abolishing some or all taxes for good.

At the moment, in the present time, it is normal that income is basically provided only by performing labor for it. Labor is an activity. What will take place more within the EMS, is linking consuming or activities that contribute to society but now is not or cannot be classified as paid labor, with income. Consuming and the activities necessary to consume are then rewarded. People then receive (enough) income or money thus for the fact that they consume or perhaps for the fact that they contribute to society with activities. Or at least make a sincere effort to do so. In the future, consuming can be more and more replaced by consuming and perhaps rewarding people (additionally) for that.

Currently, consuming and all the activities that go with it are not rewarded with money. Similarly, certain activities that people perform that at least have great potential to contribute to society are not rewarded. While these are activities. One is active, and should be rewarded for that effort. Income then becomes much more of an activity-based income, an "Activity based income" or ABI. At the moment, employees and individuals are only compensated for part of the total activities, being the activities directly related to the product and possibly also part of the development costs, but then these are direct development costs that take place within the company itself.

The process of consuming and the costs involved are NOT reimbursed at the moment, but must be paid for. By also reimbursing those more than at present. It also creates income again which can be spent on products and services.

If the EMS is in place, some calibration of the economy and special cases of individuals and organizations will be needed. This is because the extremely unhealthy economic situation of recent years has really made certain individuals and organizations suffer much more or dramatically. And have lost or lost a lot of money. This may and should be partially restored, especially since other entities in the economy also depend on these individuals and organizations. Therefore, for a healthy economy and situation, it is also important for them that damage caused in the years 2008-2016 and also before. That those damages will be at

least partially repaired. In addition, some of the measures taken after the introduction of the EMS will also be better if not partly retroactive or measures can be introduced. If in the situation after the EMS the study costs are going to be paid in full by the state, then it is probably also fair and constructive to cancel at least part of the debts for study of former students also or not in part in full.

The concept of Debt Jubilee, as described in the Old Testament, is partly interesting in that regard. There is a Jubilee Debt Coalition that wants unaffordable debts of the poorest countries to be cancelled. David Graeber also mentions the phenomenon of debt jubilee in his book "debt : the First 5000 years" (David Graeber, " debt: the first 5,000 years" , Melville House; Reprint edition, 2012)

I mention this concept and add PARTY interesting, because of the following. A debt jubilee as is proposed by the Jubilee Debt Coalition, and also by David Graeber. Is good though to further apply leveling and give the poor countries and therefore inhabitants of those countries a chance to develop and also to live and stay alive better. So, as such, it is certainly a good idea. Only, in practice and within the current monetary system, this will be very much at the expense of the lower incomes in the richer debt cancellation countries. After all, those countries have to get the money back from somewhere, and will raise it at least partly through taxes. Or through savings. This will also hurt the lower income groups in the richer countries. And those groups are already struggling too much. These residents certainly don't have enough yet. And have to do far too much for the too little they have now, too.

So the concept of Debt Jubilee may well be a real and good step within the current monetary system, but in almost all cases it creates a lot of problems and perhaps insurmountable longer-term problems for the countries or individuals or organizations providing that debt jubilee. Indeed, in a debt jubilee, those who have the claim on the debts are not paid off. That is 1 of the fixed features of a debt jubilee. The debts disappear, but in order for that to happen, the receivables in return must actually disappear. So those will not be paid in the future.

However, since for a good or earlier development of the poorer countries the elimination of (parts of) debt is certainly desirable and will continue to be so in the near future, I propose not a debt jubilee then, but an excellent debt solution (ESO), or, in english, an Excellent Debt Solution (EDS).

That EDS or ESO does NOT consist of what David Graeber and other pro-monetary reform groups propose, being the THEORY of full reserve banking. Their proposal of full reserve banking stems in part from the fact that these individuals and groups still think that the economic crisis of "this" time (2008-2014) is primarily a debt crisis. Which is therefore not the case. It is particularly an income crisis. And will not and cannot be solved by "just" canceling or solving the debts. With full reserve banking but also with a debt jubilee neither debt cancellation nor debt solution can be achieved. At least not for the longer term. What is needed is something MUCH more excellent and much more comprehensive. Being a truly excellent monetary transformation towards the Excellent Monetary System. This Excellent Monetary System, unlike any transition to full reserve banking (which would be an idiotic and nonsensical transition) does not include a replacement of the current monetary system, but rather a complement to the current monetary system. A supplement that does lead to a new monetary system, but which is much better and contrary to the idea and theory of full reserve banking WILL work. And that will actually solve the debt crisis and also many more problems arising from financial capitalism. Once the Excellent Monetary System developed by me (Wilfred Berendsen) is actually implemented-and it will be-"we" have also moved from financial capitalism to what I myself call social capitalism. This definition of social capitalism is different from its now common content and understanding. Social capitalism as I mean it is about a relational monetary and political system for society, politics, organizations and individuals. In which this society develops, in most optimal case, as I would prefer.

Once my EMS is in place, however, excellent debt solution (ESO) is possible and much more feasible. And even more desirable. Particularly because debt solution can be implemented without the inhabitants of countries or employees of organizations having to suffer financially in any way. Indeed, the debts are neatly paid off in an ESO. While the one or the organizations or countries that have the debts do not have to pay them from their own financial capabilities. The debts disappear, while the claims are simply also neatly repaid or paid. So in that respect but also in the respect of other parties not becoming the dupe of the

ESO, the ESO is MUCH better and much more excellent than the idea and concept of Debt Jubilee.

However, also and perhaps especially with regard to this debt jubilee, the question of "how much is enough" or "how much is too much" must be considered. In other words, how much debt jubilee is necessary and how much or when will a debt jubilee can be too much or just unnecessary. This also depends on how high the debts are, why and when they were incurred and for what purpose. However, I agree with David Graeber if I understand correctly that he is in favor of debt forgiveness for study debts. Study debts are incurred because individuals themselves want a better income and perspective, but also because these individuals are making an effort to contribute to society later on. I believe, personally, that these study debts should be able to be forgiven and at least partially done. At least for individuals who cannot repay their study debts with their current income (2014). Those who can pay back their study debts with ease, that may be a different story. But maybe not. The ESO falls with and within the EMS is generally very easy to implement and will not cause any disadvantage to any individual, organization or country.

As such, it may therefore be fair to "just" really resolve all student debts. I call it resolving on purpose and not canceling because then the debt would also be repaid immediately. I also think it is right that in the future studying at universities should become free of charge and that students should receive a fixed fee from which they can pay their fixed study costs (textbooks and the like). If they then incur more expenses, or debts, these will not have to be resolved through an ESO either. At least, not by default. Because an ESO should not be applied arbitrarily or more advantageous to the 1 over the other. At least not by default. Specific cases may also start to qualify for an ESO, but that is something specific government individuals can then decide.

A major benefit of free study at colleges and universities (including free public transportation) will be that individuals will more easily study more and be able to do so more easily. And that the burden of study debt will not also be detrimental to society as it is now. Possibly, it can then be registered how much is paid for individuals and if necessary, this can be recovered or demanded later from those individuals who will really earn a lot later in life. However, these are only proposals. Proposals that I do want to give to give an initial impetus and ideas for



monetary policy. But in practice, it will have to be shaped just a little differently to achieve a more optimal result for practice and society.

In general, however, I also think that individual activities that contribute to society are best paid for by the government or community. Especially with EMS, because then this becomes much more possible and simple.

The question of "how much is enough" must always be considered relationally. How much we have and how much we can get must always be compared with what all this costs in terms of organizing and actions to maintain or obtain it. And also at the expense of what other things or aspects it comes at. There should always be some kind of cost-benefit analysis, looking also at what it brings to others and to society. Just as any action by individuals, should be viewed and understood from that point of view.

As for the question of how much is enough, it is also important to consider how much logic is enough. Too little logic leads to problems. From that point of view, I think the essence of a sufficient system, a "enough" system, is that this system must be sufficiently logical or even as logical or optimal as possible. Perhaps in some respects it is never enough. For example, for some aspects and individuals and situations, knowledge is never enough. The more knowledge and the more effort, the better the final situation or outcome becomes. And that final situation or outcome, that is often what matters.

As far as that logic is concerned, logistics, 1 of my professionalisms, is precisely about that. Logic. Only that logic must also be seen relationally. Lean production, which is very popular nowadays, is full of logic. Which is really logic, but due to the possibilities and results of the current monetary system and monetary policies of various parties, that logic often turns out to be illogical and bad. Whereas with and within the EMS I developed, logic is much more apparent and can and will come into its own.

In that logic, the term Enchantment and especially the meaning and content I have given to it is also very important. Just as Phronesis and Phronesis

Antenarrating is, both also (much) different and I think better content given by me in recent years. The main reason why it has been given much better form is because I am the only one with the best realization, and had the best realization at all, that holoplurism (both as a concept and content fully developed by me) really involves/is the only underlying structure and properties of anything. Phronesis, the term, of course, already existed and was probably developed by Aristotle. Or a predecessor. After all, Aristotle mentions the term in his work. Phronesis Antenarrating was initiated and developed by me, and is a special form of Antenarrating. Antenarrating is the term initiated and further developed by David Boje, who is a professor at New Mexico State University (NMSU).

Especially important here is the term Enchantment, also particularly in connection with logic and the question "how much is enough." Without a sufficient understanding of Enchantment as I have intended and given substance to that term, a sufficient or complete understanding can never arise and thus answer the questions "how much is enough" or "how much is too much." With that insight also not nearly as easy, or in some cases not at all, but insight into enchantment is plainly required. Fortunately, there are plenty of people who already have that insight quite well, but still the vast majority of the population on earth has a lot to learn and improve in that area.

Enchantment I have, in a paper I presented at the IFSAM World Conference On Management Paris, generally described as enrichment of (W.T.M. Berendsen, "Towards a reenchanting society through storytelling and phronesis antenarrating", IFSAM world conference on management, 2010). That can go on enriching, or improving, whatever. I also mentioned in that paper, on the basis of which I got about 3 requests from an Academic publisher after the conference to start writing a whole book on this, that enchantment is about a most optimal fit of plurals (plurisigns) and not of similar plurals (uniplurals). I also understand now more than then that by this I also mean that enrichment or enhancement is particularly about making difference in a right way which cannot be achieved with dualism (similar difference) but can be achieved with holopluristic and meta-semiotic thinking and understanding.

In that context of enchantment and plurisigns ipv uni-plurals, it is worth noting that it is NOT enough if governments, organizations or individuals only consider their own interests and needs. Or maybe partly it is. In particular, this also depends on

whether and to what extent other entities (individuals, organizations, governments and government agencies) can meet their own needs, both financially and socially. Where of course the social needs in individuals play more of a role than in governments and organizations, but where it must also be realized that these social needs and social aspects in both government as well as organizations must be and, within and with the EMS, can be much more. The EMS is 1 of 2 great gifts from me to society. The EMS is one, while my meta-semiotics is the other. Both together can and will cause major sweeping changes in society, and I hope fairly soon and worldwide. Changes that will lead to major improvements, in almost every area and aspect of our society. The EMS will dramatically improve financial capital, but more importantly, it will also improve social capital. And THERE is what I am all about. Hence, the first step of transformation, the financial one, must take place as soon as possible. To end the income crisis right away, but also to enable further great transformations in our society. Introduction of my EMS is the first step, which will then enable very grand social and scientific transformations. All those transformations must be supported by my meta-semiotics and meta-semiotic thinking and acting.

I could go into the question of "how much is enough" at length here. Which I also do to hopefully get more and more people to see that the current situation in our society is not enough. Does not make sense. And certainly not healthy for individuals, organizations, governments and society in the long run. There is a huge shortage of money. This shortage is partly met by cutting back on just about every aspect of our lives as well. Which often also leads to illogical and incomplete situations. Incompleteness is often a sign of illogic, and illogic in most cases leads to incompleteness. And less "enchantment" of our society. In essence, "enchantment" is actually about increasing completeness, toward a "enough" situation.

The first step in getting there is to make sure that there is also enough financial capital. And to ensure that this "enough" is and remains there. Also in the future. And just that "enough" situation for financial capital is not enough, because this "enough" must also be achieved against the best possible social situation. And, especially as far as this social situation is concerned, even here in relatively "rich" Europe, we are still far from the ideal situation. That ideal situation will never be reached because there is always room for improvement and in that respect "enough" will never really be "enough". As far as financial capital is concerned, however, there are several individuals and organizations in our

society that have had MORE than enough for a long time, and that group is only growing. It is also time that those individuals and organizations in general start realizing that much more than they do now, and that they also start taking more account in financial terms of individuals in our society who are still far from having enough, and even far too little in financial terms. The government also needs to regulate this aspect, as well as security for health care and pensions and a decent income, much more than it does now. Since organizations and also individuals, at least at this time and in this age, are still far too individualistic and generally still have too little consideration or ability to take into account other entities in our society. Individuals and organizations, especially in terms of "being social" and social capital, turn out to be much less relational than people think. Even after implementation of the EMS, this will partly be true, and the government will have to intervene where necessary with legislation in that area. Restricting the level of incomes in the public sector is certainly a good step forward in that regard. Those who work in the public sector deserve a good income, but an absurdly high income at the expense of other workers and individuals is unacceptable.

Money is relational. If you can no longer fulfill your financial obligations with friends and acquaintances (relational) then you are not fulfilling social capital obligations and social affairs. Therefore, this is emotionally difficult. Sensemaking is feelmaking. I only use the English words here because I do not know a good Dutch translation for sensemaking anyway, and with feelmaking I mean that sensemaking in most cases is largely or perhaps also entirely and is driven by feelings.

An important feature of my EMS is , that it includes the monetary policy I propose. And that my EMS also makes this monetary policy possible. The partial or total elimination of taxes is part of it. So is my proposed EOS or EDS. And, last but not least, a decoupling of labor and income. That last step is the most essential, the most important. For the longer term and for present times. For today's economic crisis, as I have noted before, is not so much a debt crisis but essentially an income crisis. Which has perhaps been caused most by increasing efficiency and increasing automation and in part already robotization. Those things have all meant that fewer workers are needed to do the same work. That will only increase in the future. So we should at least take into account and be prepared for the fact that in the future the number of non-workers may only increase. And that labor will be fewer. But, I think that doesn't have to be the

case and that at least with the implementation of my EMS, more work can actually be created. Work that hopefully is also largely focused on improving quality in our society. Also on improving our leisure time experiences. In that area, free time and entertainment, there are so many fun activities to come up with. All of which can also be implemented, provided the money is there. But in any case, in the coming decades there are plenty of much more useful and important activities that can and should be performed by people. And which will also come into their own much better after the introduction of my EMS.

After implementation of my EMS, that which Keynes proposed in his "economic possibilities for our grandchildren" in his predictions for around 2030 can also become partly a reality. A 16-hour work week is possible if workers receive sufficient supplement to their wages or if the government can and does take care of some of the fixed costs. That stands with me, here then, not specifically for but for a shorter work week for those who want it. And I don't yet know how that can be shaped either, but just mention this as an option for future monetary policy.

As I also point out further in this book, the EMS should be introduced in steps. And the monetary tools I offer (tax elimination, EOS/EDS, wage-labor decoupling) must also be introduced in steps. The very first step consists of introducing the EMS and at the same time partially implementing EOS/EDS. Furthermore, in my opinion, at least an increase in minimum wages should also soon follow from that. Possibly through reduction of taxes or elimination of taxes, because this will already raise the minimum wage net. And, if in addition to income taxes, part of VAT is also abolished or reduced, this will at the same time be able to lead to lower prices and thus lower spending. Those 2 steps alone will make a lot of difference and put the economy back on the road for a large part. But of course more is possible with my EMS, and that more should just be implemented if it will only benefit society. If necessary initially on a smaller scale to see the effects on our economy and society and actions.

Economist Robert Reich often gives his opinion on economic issues. Among others also via facebook. There, around the end of 2014, he reported something I understood and understood before, namely that minimum wages must go up and that this move will be good for the economy. I had noted before to a Dutch politician that the minimum wages have to go up, but also that Dutch companies

for temporary workers already do pay around 25 euros per hour. So those Dutch companies already have that to spare and are already paying that to production and distribution employees, for example. Very little of these wages is passed on to temporary workers. I myself am in favor of setting the minimum wages for temporary workers higher than the general minimum wages, because temporary workers are more flexible. And in that way - setting minimum wages for agency workers higher than those of regular permanent workers - the use of agency workers for normal permanent employment is discouraged a bit more and the hiring of permanent workers for that purpose is encouraged.

However, Robert Reich then suddenly in late 2014 on facebook thus reported that minimum wages should go up. He noted that this would benefit the economy and also gave the argument that lower earners would spend extra income in society, while higher earners often did not spend their extra income in society but put that extra income into financial services and further income with it.

So in Essence Robert Reich does have it right, only at and with the current monetary system and policies, higher minimum wages are likely to lead at least in part to further exploitation of workers. By making them do more in less time. Moreover, with the current monetary system, there is not even the possibility for many companies to pay more to their employees because many companies are already struggling. Raising minimum wages really needs to happen and, by the way, will also benefit government revenue and pension income because income taxes and pension levies are now calculated on wages. But, that increase in minimum wages will only be able to be implemented really well when and after the economy is running better again and also my EMS has been in place for a while. Other steps will be needed first, such as debt resolution and elimination of parts of taxes. Also, I myself am in favor of collective government payment of health and care for the elderly and possibly other collective fixed costs. Elimination or reduction of some or all road taxes and excise taxes on gasoline would also really help a lot, especially where workers are not even fully reimbursed for all costs associated with commuting.

What I am certainly also in favor of is that after the introduction of the EMS, at some point all communication will continue to go through the traditional companies, but that the inhabitants of the countries where the EMS works well will be reimbursed a fixed amount per year from which they can pay at least a

large part of the communication costs. In this way, communicating will also become accessible and therefore encouraged for really everyone. I am talking about Internet costs, costs of calling both fixed and mobile, but also costs for television and the like.

According to Robert Reich, temporary work was and is also bad. He reported a while ago that some 30 percent of temporary workers had seen their income drop by some 25 percent a year. He also reported there that financial stability and income security would be more important than higher wages.

I don't quite agree, because right now, higher wages are at least as important as income security. After all, in many cases wages are not even or barely enough to pay for fixed expenses. Let alone to meet other expenses with it. In that respect, it also stands to reason that the economy is totally out of whack right now. And given past developments and what is to come as long as the current monetary system is maintained, all this can really only get worse. There is really no other alternative for our society than transitioning to another monetary system, and if that must and is going to happen then obviously the most excellent monetary system should be introduced. Being the Excellent Monetary System developed by me.

The current financial crisis is, again, an income crisis. This income crisis exists despite the fact that we understand more than ever about management, there are more than enough resources and, in this respect, we have more luxuries than ever. On the other hand, the lower incomes are less able than ever to benefit from this wealth. The present situation still seems quite okay, but it must be realized that the future will only get worse if there is no transformation to a better and more logical money system. A money system that will solve the income crisis and that will ensure both income security and a fair and sufficient wage for everyone who works and, in addition, even sufficient income for everyone who has the intention to contribute to society but, for one reason or another, cannot. After implementation of the EMS, the government will always be able to, and thus must, ensure that both employed and unemployed people will always have enough income to cover their fixed expenses. But in addition, they will have enough left over to build up some reserve.

I am also very much in favor that after the introduction of the EMS an authority or organization should be established where people who temporarily do not have enough income can, depending on the reason and situation, possibly also receive a temporary interest-free loan and/or a gift to still be able to meet their obligations. Of course, how this would come about must first be carefully thought out and it should not apply to everyone. And only for cases where people are struggling for a while completely through no fault of their own, despite the undoubtedly better situation that will arise after the introduction of the EMS.

In current times, many people are in favor of an unconditional basic income. I am absolutely against that. Instead, what is needed is introduction of EMS. And instead of an unconditional basic income there should be a based income. Based on activities which therefore can and should be more broadly defined than just production (activities). Also and especially because of the great success of mechanization and robotization. As I noted, consumption may also be rewarded more but more from the idea of collective income. Also collective goods and services or goods and services whose use benefits society could and perhaps should be paid for by the collective (the government, the state) much more than at present.

If and when we move to a further decoupling of income from labor and based income, we move to more activity based income or in English more Activity Based Income (ABI). Even activities that are not immediately relatable, i.e., linkable to products or services, but that benefit society or will potentially provide utility to the collective should also be eligible for sun ABI.

Given the large surplus of human resources, it is absolutely unnecessary and also illogical to raise the retirement age or even keep it as high as it is now. Although for some professions it can and need not be an objection, it must also be taken into account that for many professions in production and distribution it is not humane to more or less force the somewhat older workers to have to continue doing that work full-time until age 60 or even 65. For teachers or less heavy professions, in principle, there will be no objection to keeping the current retirement ages of around 65, but for the heavier professions, an alternative must and can be found after the introduction of the EMS and the retirement ages can easily be lowered again.



What is very important for individuals, in any economy or society, is some degree of security. Income security is an important part of that. The EMS can provide that security, and also ensure that individuals can build up certain reserves in order to be able to meet certain important needs even in less fortunate times or situations. Financial reserves are created out of the need for security. Perhaps thought should be given to a standard reserve for everyone of at least 4 months' basic spending, which under certain conditions is also continually replenished if needed and desired. And if someone is then able to build up sufficient reserves on their own again within the year, the reserve automatically replenished for that time can be reclaimed if necessary. For example. Because this too is only a proposal and I myself cannot yet fully understand, of course, what monetary steps will be taken after the introduction of the EMS and where those steps will lead.

As far as security is concerned, however, a distinction can of course be made in terms of for whom the security is provided and then also in terms of types of security. As far as security for individuals is concerned, we can think of : income security, care security, educational security, social security, financial security, price security, financial buffer security, the on-credit security for certain goods and services, security security, pleasant working atmosphere and family atmosphere security. I believe that the government, the state, can and should take care of many of these securities much more than in the present time. The possibilities for this will also increase a lot after the introduction of the EMS.

In addition to these certainties for individuals, there are, of course, certainties for organizations and governments and certainties for specific target groups and their characteristics. However, those certainties for target groups and their characteristics are in turn certainties for specific cases of individuals. For example, certainties for the young, the old, families, singles, employees, employers, dependents and so on.

If it is sufficiently clear which aspects of the economy are important to understand for a better understanding of the debt crisis, and if sufficient understanding of the relationships between those various aspects is known, a relational entities diagram or also a relational activity diagram can be drawn up. This in order to

make 1 and 2 more visually comprehensible. The same applies to the monetary system and policy. If there is more insight into how a monetary system is and can be set up. Which aspects are important, also and especially from a relational point of view. Then a relational entity diagram and a relational activity diagram can also be drawn up for and of the monetary system and policy.

However, I will discuss this in more detail in the future. In doing so, I will also indicate why a relational activity diagram alone is not sufficient. But also why and how context plays a role and what methodology and way of working is likely to be best suited to it. What the characteristics of that methodology and way of working should be and why.

The question of how much is enough, for example, when money is considered, may not only look at money and other entities, but will require a broad understanding of how the interrelationships between those entities are and what influence those relationships and entities have in a given context. Or maybe context itself doesn't even exist but is really just about entities and their relationships and how those entities and those relationships are dealt with. Then we actually end up with what Charles Sanders Peirce, the developer of semiotics, referred to as sign-object-interpreter (SOI). Or, in other terms, entity-relationship-interpretation (ERI). The relation is something Peirce had not yet named in his SOI, but which he wrote much about himself. The fact is, however, that this relationship in particular was not fully understood and described correctly by Peirce. The essential aspect of the transition to semiotics and meta-semiotics (meta-semiotics was developed by myself, Wilfred Berendsen) is also correct and in particular a correct understanding and definition and use of the correct relation. Being a relationship that is fully holopluristically understood because it actually is it in all cases.

As for money, however, it should be clear, to everyone, that there is too little of it. At least with certain individuals and organizations in today's society, but also with the government. Less is not an option; more LOOKS like it is not an option either. But it is. What is needed for that, however, is a change in the monetary system. For that, however, there also LOOKS to be 1 big obstacle, namely the Phenomenon of inflation. As long as the phenomenon of inflation is not correctly understood and as long as people incorrectly think that inflation is a theory or combination of theories. And as long as inflation as a result is completely

misunderstood and in addition is quantified completely incompletely and incorrectly. There will also be no understanding of what role the phenomenon of inflation can and will not play in today's economy. Never mind that this phenomenon and the fact that it need not play any role at all or at least certainly no significant or disastrous role if and once the Excellent Monetary System is in place. The current context and situation that many individuals, families, organizations and governments find themselves in is crying out for more money. And this will in no way be detrimental to the economy given the current situation, IF this expansion of money takes place in the right way. With and under the right monetary system and with the right monetary steps (policies) that follow.

That there is really too little money in society at the moment, and that this has been the case for a long time, cannot be seen only in the debts and large income deficits among and from lower-income earners in particular. Nor can it be seen only in the fact that the economy is not doing so well at the moment. It can also be seen in developments before 2008 and the impact this has had on individuals, organizations and governments.

In fact, there are at least two major issues at play that have not only caused the shortage of money, but have further problematized and exacerbated it. Being a) the fact that there is thus far too little money in the economy and that this shortage is only getting worse and b) the fact that in many ways - also because of this growing shortage of money - more and more stability and security in the economy has been lost and is also (still) going to be lost in the time to come.

What many people do not realize is that many developments in society in recent decades have been caused by this lack of money. The rise of selling second-hand items via marketplaces, for example, is not only due to the fact that people have more stuff and want to sell some of it. It also stems from the fact that certain individuals sometimes have to sell that stuff to make ends meet, temporarily or otherwise. The extra income it generates is a welcome addition when income has fallen too far or has even disappeared altogether.

So there will have to be MORE money in the economy no matter what. Really more money. This cannot be done with and within the current monetary system. Nor is it possible through the theory of full reserve banking. Full reserve banking is a theory and one based on too little understanding and insight. And as such

completely worthless to society, practice. Fractional reserve banking as it exists today makes sense in a certain sense and as such will simply be able to and even should continue to exist. As part of the new monetary system for the world being my Excellent Monetary System. Similarly, many other organizations and structures of the current monetary system must and can continue to exist in the EMS. Although content-wise things will certainly be and also have to be adapted, depending on the monetary policy followed and developments in society. The fact is, however, that the supplement that is part of the Excellent Monetary System may be more likely to cause a move to something that may be much closer to "no reserve banking," but should not carry that term. This not because of the fact that such a term a) does not fit the complement in question and b) would be far too limited for the content itself and c) the EMS but also the complement in question is about FAR more than just banking or reserve banking.

An important question that needs to be asked, but which I have thus already asked myself more than adequately, is HOW best to allocate (distribute) the money within the EMS and what is or will be enough in doing so. What should still be paid, how that should take place. But also how much both workers and non-workers would and should receive. And under what conditions, of course. The EMS is a relational monetary system, and not only an individual relational monetary system, but above all a collective relational monetary system. That collective is extremely important, because without it the economy cannot function. Right and especially not in the present time. In order to make that collective also possible again, it is necessary that we move to the EMS and that through that EMS the linkage between income and labor is redesigned. I have also already described that this will partly have to come about by means of activity-based income, whereby also consuming and consuming or working for society (in whatever way) will also have to be rewarded with income in that vision and reality more than in the present time. The fact is, however, that people with sufficient intention but insufficient possibilities for contributions to society and individuals will also have to be rewarded with income, even if they cannot convert these intentions into actual actions. In today's society, NOT consuming is impossible for individuals and organizations. We all benefit from this consumption. So in that respect everyone can also be rewarded for that in a collective way. Even if there is no labor (paid or unpaid) in return. The broader definition of activities in which not only labor activities (producing) but also product-providing activities (consuming) are taken into account helps with this and will also help to completely solve the current problems we seem to be facing and even transform them into something positive. If this is and will and can be

adequately supported by the monetary system. This is another reason why my EMS will have to be embraced and implemented as soon as possible.

Fractional reserve banking has been around for a long time. That fractional reserve banking means that money creation is debt creation at the same time! That debt creation should be partially abandoned...not permanently but more for specific cases and also for certain government expenditures and the possibility to get extra money into the economy or to resolve debts. So debt resolution is NOT achieved by a debt jubilee but by a full payoff of also debt claims.

From gold to money to gold. Several times over the last century something has been done with the link between gold and money. The gold standard has been restored and abandoned several times. I will say more about this in another part of this book, but the fact is that, especially at this time and under the current circumstances and developments, it is highly desirable that the gold standard NOT be restored (something that many people and groups also want, including occupy and those who want full reserve banking) but rather let go. In addition, it is also desirable, and certainly in light of the introduction of the EMS, that national governments do NOT start selling their gold reserves for cash. Or maybe they will. For money itself, after the introduction of the EMS, it no longer matters whether or not there are gold reserves; after all, gold has value to governments only for the purpose of linking it to money or selling it to obtain additional money. Both functionalities of gold will completely cease to exist upon and after the introduction of the EMS. Gold will then only have value for use and perhaps for investment. But the latter is also use. For reserves it also has use, but the fact is simply that within the EMS governments do not need reserves. Money is ultimately worth much more than gold ever will be, because money - not gold - makes it possible to organize and bring about a great deal and to pay off debts and make a fair income possible for everyone. And thus to fulfill many social needs and primary needs.

Over the past few years I have developed and further defined the term Phronesis Antenarrating. Phronesis Antenarrating is not only about deconstruction, but also about the next step being reconstruction. Putting together in a different way the pieces that have also been partially transformed into something else. This merging is based on logic. My logic. The reconstruction of the monetary system requires the regrouping of relational entities and relational monetary entities. Of

course, this can only be done on the basis of sufficient understanding of what is involved.

There are now several individuals within society advocating an unconditional basic income for all. This unconditional basic income as a proposal to combat the debt crisis is completely useless for practical purposes. In essence, this proposal underlies a partial understanding that the current economic crisis is more about an income crisis and much less about a debt crisis. Or actually it is also about both, but the fact is that the solution will much more precisely also have to result in more income for those parties who have problems with debt in the current time. Higher incomes will reduce the debts and thus solve the problems there as well. The fact is simply, however, that :

1) The debt crisis cannot be solved by just giving everyone an unconditional basic income which is of a standard level or possibly tailored to certain target groups. Without having the necessary money for this. With and within the current monetary system this will not be possible. Within and with the EMS it will be, but the fact is that for several reasons (including point 2 here but also for other reasons I mention in this book) introduction of an unconditional basic income under the EMS is both unnecessary and undesirable.

2) An unconditional basic income for all. Will be pushed too far because it will make working for everyone essentially unnecessary. There would then be far too little and perhaps too little incentive for some to go to work at all. The question is whether there will be enough workers left to do the work that needs to be done. But there is also the question, for example, of whether it is desirable if all the work is to be done only by highly motivated employees. That point in itself is probably positive, but in return, people who are really lazy, for example, or for whom it would be really good to work. They can just do nothing if they want to. Also, among the less motivated people there will also be people who can do really good work which is obviously good for others in society. In addition, work and especially the social process involved in it is very good for turning unmotivated people into very motivated and more social people. In my own work I have experienced enough people who were less social and incredibly unmotivated. It is, in many ways, wonderful when such people transform considerably in those respects in a relatively short time.

3) There is no unconditional basic income in the present time. But a better alternative, being incomes for people who for whatever reason cannot work or are too old to work. Exist more than enough in all kinds of forms and

designations. These are not blanket standard amounts for everyone but there is a whole functional differentiation by target groups and functions. Minimum income differentiation is extremely good. Only that minimum income has to be sufficient for at least basic needs. I do not know if and to what extent the existing benefits should be changed for that purpose, but that depends entirely on what monetary policy will be followed under the EMS. What is certain is that with the EMS, financially speaking, everyone can be given sufficient and even more than sufficient income. However, the question is again...how much is enough...and also how much is (perhaps) too much.

Therefore, because of the above reasons, it is a) not advisable and b) extremely illogical and negative to start introducing an unconditional basic income. So the discussions that are being held on this and the attention this proposal is receiving can all be completely ignored from now on. And every minute spent on this proposal is wasted time. The same, by the way, also applies to the theory of full reserve banking. Full reserve banking is not advisable either. Why this is the case I will explain further. The question of how much is enough is also closely related to the question I received from a colleague. Namely, the question "how do you envision the economy in the future". When I was asked that question, I answered that labor would basically just decrease in the future. I said that because of the fact that my EMS thus allows a further decoupling between labor and income. However, that decoupling is particularly intended to allow supplementation of income where necessary, regardless of how much labor is performed but also regardless of how much labor can be performed in society in the future. After all, we are dealing with a particularly diverse composition of individuals with incredibly broad or not so broad backgrounds and capabilities. All those individuals should be given and keep as many opportunities as possible to meet their own needs, and thus work for them if they can and want to. While to some extent that want should not and cannot be entirely determined by those individuals themselves. If collectively certain goods and services are needed and an individual can, in principle, contribute in part to the production of those goods, then it should not be taken for granted that that person will simply receive sufficient income if, for example, that person is too lazy to work but it is required by society to some extent that he also contribute in labor.

## **Goods and services versus financial services**

Financial services but more investments. Are partly playing of the better earning but also of some somewhat less wealthy investors. That playing has started to be used by more and more people over the past few decades and more and more large sums of money are involved in the investment world. And so investing requires an ever larger portion of money. Money which then cannot or will not be used in the primary economy. So not to produce goods or services. In some cases, financial services will even be guaranteed to yield more than investment in the primary sector.

As far as inflation is concerned, there is a lot to tell. Beginning with the fable that is preached and believed everywhere, being that if the money supply M1 goes up that this will lead to money becoming worth less. However, this does not even have to be true and in many cases will not be true at all. After all, if M1 goes up, it can also be accompanied by more or less constant production and prices. Or even lower prices or lower prices. This will then not lead to inflation. What will actually happen in society is far from depending only on how much M1 there is in society. But also on many more factors in the economy. At the present time, there is quite a general overcapacity and more than enough human resources. Those human resources partly determine the price of products, but they also determine the revenue side since those human resources are also customers or become customers for certain goods or services. With higher production, companies can make more profit than in current times and they will not easily have to or need to raise their prices if their production or output can increase. And if VAT is also abolished, in whole or in part, then companies and organizations can have more profit even at constant prices. This could also be used to lower prices or to offset some or all of the consequences of raising minimum wages.

Inflation is a phenomenon and not a theory. Although there are theories about inflation, of course. But inflation itself is a phenomenon. That phenomenon plays or does not play within a particular context. That context changes to a greater or lesser extent as the content and properties of the monetary system itself change. For example, abandoning the gold standard alone can have a major impact on whether and how inflation can and will occur. Or not. But above all, many developments over the past few decades also affect this. There is now generally a lot of excess capacity. More money in the economy, if it benefits spending, will only lead to more income. That more income does not make raising prices necessary, so money will not become worth less either. Inflation, the possibility of



it but also the impact it can and will have on our economy, is much different today than in the past for many reasons. And after the introduction of my EMS, it will all be much different. And, anyway, if inflation occurs, it will also be able to be managed. Can be controlled, and then mainly by the government or governments. It's just a question of to what extent the government or governments want to do that and to what extent they understand the situation enough to do that in the right way. But, if actions are done in the right way, any inflation that becomes too detrimental can be resolved.

As far as inflation is concerned, not only supply and demand of and for certain goods and services is important, but also labor income and labor potential. During the great recession around 1930, there were many indebted farmers who produced more thinking they could use it to pay off the debts. This did not work out because prices fell or simply no longer demanded.

In today's time, we have governments, businesses and people in debt. Companies don't produce more because they know that if they do, they will get more debt. Unless demand increases. So they only produce more if there is also going to be demand for more. In recent decades, however, mainly also due to increases in technology and labor productivity, there has been more and more supply. Or one can produce as much or more with much less or less work. This will increase even more in the future, due in part to labor productivity, sustainability and the role of the Internet.

Right now, corporate social responsibility is a trend. I personally prefer to see this corporate social responsibility move to socially desirable organizing (MGO). In which every organization becomes more social, but where additional organizations and facilities are also available to support this properly and to expand that social even further. Once the EMS is in place, a good support organization can also be set up for this. To promote socially desirable organizing. And also to give it more substance. In addition to making already existing organizations more social, I am thinking of more support for people and organizations. Not only child care and elderly care and cleaning activities but also other activities that are useful or can be useful for society, organizations, families or individuals can then be further set up and organized.

## **18. The economic crisis and its effect on different age groups in society**

What many people and, in any case, politicians still seem to realize too little is that the financial and economic crisis in which we currently find ourselves - 2013 - is a very different situation for the Netherlands and its inhabitants than for other countries. This because of a number of characteristics of our economy, backgrounds of the population and inhabitants and also the specific (a)social and economic policies that are currently being pursued in the Netherlands.

Roughly speaking, in this part of the book, I want to distinguish between different age groups that are compiled rather roughly. Namely

- Youth and young adults, especially residents between 18 and 45 approximately
- The 45 to 65 year olds
- The 65-plus/ Retirement + ages but more those who have already retired or may do so within a relatively short period of time

Minister Asscher presented a study in September 2013 which would show that the over-65s in the Netherlands in particular have the most assets or at least the least risk of poverty. This observation seems correct to me, but in particular it will be necessary to understand the other two groups and why this is the case in today's society.

In what follows, therefore, I would like to consider what the issues are with the various population groups and how they look to me. As I see it now, only the over-65s have an acceptable situation at the moment (although this may decrease in the future), while the young people, young adults and the 45 to 65 year-olds are generally not in the best shape. A distinction can also be made between high earners and low earners, between low and high income groups. But I am focusing on the low earners and low income groups. After all, these obviously also have to be able to survive in the longer term, and with the current government policy and without the introduction of the EMS, that is absolutely not going to happen. In that case, the Netherlands and the entire EU are heading for

a major social and financial disaster that will probably become reality sooner than politicians are currently willing to understand or admit.

An issue that was already in play before the crisis but that is still valid today is the fact that more and more is expected of young people and young adults. This also means that individuals generally continue to study longer and actually start working at a later age. Which leads to less income at an earlier age on the one hand and additional and therefore higher costs at a later age due to study costs or loans that may or may not have to be gradually repaid. This is possible in principle, but then all those individuals must also be given the opportunity and chance to be able to repay their loans via a better paid job and thus also a higher income than minimum or modal.

However, what we are seeing more and more now, unfortunately, is that young people have to go into ever higher debt to get training that employers actually do demand. At least a certain level of education. Subsequently, however, even among and from those higher education groups, there is far more supply than demand in many sectors and fields. This leads to more and more individuals in society finding it increasingly difficult to repay their debts taken on for a job because they cannot even or seem to have great difficulty actually getting that job for which taking on those debts was justified.

The now 65+ year olds generally did not have those problems. They went and were mostly able to work at a young age. So they did earn their incomes at a younger age. In addition, many of these people did not go into high debt related to their studies. On top of that, they also generally started to earn gradually more than the minimum wage. And were able to take advantage of many perks that permanent workers still received from their employers in the past.

Those days now seem to be gone forever. The time when employees were generally employed by the same employer for a very long time or even their entire working life. And thus also received more pay over the years and also various perks such as profit payments (which seem to have been higher in the past than in the present time) and 13th month payments and the like.

So all in all, the 65 year olds and older of our time, the people who have been on early retirement or pension or pre-retirement for a while now, have had quite an extra advantage financially compared to the current crisis generation. And I'm talking purely about earned income and not even mentioning the decent increases in home values over the past few decades. Those house prices are now declining, but still far above what most 65 and 65+ -ers had to pay for their homes or mortgages. And they were able to get those mortgages better back then than today's young people in today's day and age.

Today's 18- to 45-year-olds all belong to the crisis generation to a greater or lesser extent, as far as I'm concerned. And many of them, to a greater or lesser extent, do have some financial catching up to do. I am also in favor of repairing their financial arrears as much as possible, preferably fairly soon after the introduction of my EMS system. One way of doing this is by possibly reimbursing, to a greater or lesser extent, loans taken out for study in the past. But also, in addition, by repairing pension gaps and restoring pensions and keeping pensions up to standard for the future. In addition, I myself am a strong advocate for a virtually free or even free form of disease and health prevention and recovery. One could think of a substantial government contribution to health insurance or - in a more ideal situation - a complete takeover of all costs of illness and health prevention and recovery by government and possibly also companies and other organizations.

But last but not least, for the 18 to 45 year olds, it is important that all these age groups regain many more opportunities to be able to buy and also afford their own homes. The currently strict requirements for obtaining a mortgage and the generally low amount that is still provided will both have to be addressed and broadened. In addition, however, more financial support from the government in buying at least a first home could also be considered. And lowering land prices would also be a very good step forward.



## 19. Relational entities of today's economy in view

Of course, our economy does not consist of individuals, organizations and processes that are independent of each other. But of interdependent entities (processes, products, services, individuals, organizations and governments) that are related and influence each other. This is multiple dependence, not single dependence.

Regarding the distribution of work, it is worth noting that work is obviously income. Especially in today's society and with the current monetary system where the link between income and work is very strong. It is virtually impossible within the current monetary system to generate (enough) income without working enough to do so. The last decades implied that less work was and is distributed among more persons. This leads to reductions in income of these workers, with lower incomes in particular getting into trouble. All the more so due to equal but mostly increasing expenses. This, together with the stricter mortgage lending requirements of recent years, leads to less mortgage lending. Less mortgage lending means less debt, but more importantly, less money is created and thus less money becomes available in society to generate income. Revenues that are needed to keep people employed and stay employed.

Our current money system is a negative money system. The EMS money system, on the other hand, is a positive money system. This more positive money system also therefore fits better with our times, because it can and will help lower hierarchy and power at work. Hierarchy and power in organizations fits less with the empowered and conscious workers of our time, but is unfortunately still too necessary given our negative money system and its influence on social organizational processes

The link between work and income that still predominates today can and will be much more loosened in the EMS system. This is badly needed in view of the aging population, but also in view of the fact that the state pension age should and can be lowered instead of the current trend and reality of increasing state pension ages. Work is not to generate income but to meet needs. If those needs

do not exist or become less (as in the current time where many needs are met via the Internet and digital toys), then of course less work will have to be done.

Our society needs more and more in a transformation from financial capitalism (the current monetary system) to social capitalism (supported and guided by the EMS system).

However, the question, of course, is also how much additional financial capital there may and can be. Too much is also likely to cause problems if created and distributed improperly. While financial capital makes many social things impossible, financial capital is and will continue to have a relational function as well. And not only too little, but also too much financial capital can cause social problems.

This happens especially when there is too much disparity between power of different entities in the world or society. Money is also power, and that power should not be too much in the hands of certain people or individuals.

Money is currently obtained mainly by selling goods or services. The question now is what happens when there is so much money that goods and services no longer need to be sold to make money. Or if some or most of the goods or services no longer need to be sold to make money. In that case, people will naturally hold onto those goods and services longer if they have a need for them. Perhaps then the needs will also become greater because people will have more opportunities to start meeting more needs. That is not necessarily the best situation in terms of sustainability either. However, the government can, of course, manage that if it turns out to be necessary in the future. Through laws and regulations. Even with an infinite amount of available money, that should and could be possible, if desired.

But in general, goods and services can only be produced if enough labor is available to do so. If minimum wages are sufficiently raised and taxes and the like are sufficiently reduced, then there will be as much or less labor available to produce the same goods and services as now. If then additionally desirable

services (such as more and better services for the elderly) are also directly or indirectly regulated and paid for by the government, there may be even fewer workers available to produce the current goods and services. Against more money to procure those services and goods, therefore, there may be relatively fewer workers who can produce those same goods and services. Furthermore, in today's time, more and more people can spend their time and fulfill their needs also in part through digital means that require little production and also consume few resources relatively speaking. And of course today there is recycling and things like that. Also, in the future science can and will be able to make many good steps toward a much more sustainable society and economy. So ultimately, more money and a better-run economy that results from that will also benefit a more sustainable society. Even if there is an (almost) unlimited source of money and income.

When goods and services no longer have to be sold to make money. And labor no longer needs to be done to make money either. Then goods and services will only or mostly be produced because they are really needed or because there is a real need for them, and labor will be performed mainly because people enjoy it or at least feel the need to work. However, this is obviously a situation that will not be achievable at least for the foreseeable future. And it doesn't have to be. There is nothing wrong with having to do something in order to earn money. Whether that is performing labor to produce something or to sell something. But of course in many cases it will be better if money plays a less prominent role than in the present time. If people who cannot work for one reason or another still have and receive sufficient income and if workers who do work also earn at least enough income to live a good life. This is not the case in the present time, unfortunately, and can and will be realized as soon as my EMS is a reality.

## **20. When does an economy run well?**

When does an economy run well? The correct answer, of course, is never. In fact, an economy never runs because the economy has no feet.

However, it is interesting to ask when an economy is functioning well. And whether this is currently the case.



So, in other words, whether an economy is functioning well if part of its residents and an increasingly large group of residents cannot even make ends meet or have difficulty making ends meet while that group is still among the group of residents who can still work. However, that particular group of residents mostly works on a temporary basis, without even the prospect of a permanent job. This is particularly because most of the work for those groups of workers has mostly been replaced by agency work. This temporary work is usually well paid by the companies that use it, but because the agencies withhold quite a bit of that money, little is left for the temporary workers. Who in addition do not get a 13th month or other better fringe benefits. Because of the low pay, their pensions are also paid less and thus accrued.

Is an economy functioning well, if the whole economy is mostly focused on production and products, and much less considering or based on people and a more people-oriented economy? Is it enough if businesses are running well or enough, while a certain group of people in society are having an increasingly difficult time?

Is it acceptable, logical or desirable if certain individuals in society have to accumulate debts because their income is too low, and that they still have to take on these debts despite cuts in 1st necessities? To continue to pay for these 1st necessities (food, clothing, shelter, insurance, water and light if one has any)? Is it at all logical or desirable if certain individuals, parties or groups have to borrow for 1st necessities? Or should we have an economy where the 1st necessities of life can really be guaranteed and also always paid for, by everyone, whether one works or not, and that debts really only need to be incurred for more luxurious needs or building up businesses and the like?

I myself believe that we can expand the requirements of a well-run economy, and then the requirements must be met. Within and with the current monetary system, this cannot be done, but if and once my EMS is in place, it CAN be done. As such, it is important to indicate when an economy is running well and what is required to do so. However, this is subjective and also not many people yet see what is possible with and within my EMS. Therefore, I am stating here what I think is at least necessary for an economy to run well and what is required to do so. Hoping that all this will be met as much as possible if and once my EMS is in place.

## **21. What is needed for a well-run economy and will be able to be realized after the EMS is a reality.**

In any case, what is needed for a well-functioning economy is that, as far as individuals and families are concerned, it should be ensured that truly all incomes are high enough to be able to pay for all basic necessities of life normally and at all times, but also to be able to pay off debts and also build up a reserve. As far as provisions for later are concerned, sufficient accrual/payment for pensions will always have to be possible, or a situation will have to be created in which truly everyone receives an adequate pension when they retire. The retirement age should be no higher than 60 in this regard, and if the amount of work and available workers allows it, it is even desirable to lower this retirement age to 55 or even 50. I personally am in favor of setting the retirement age to as low as possible and, in addition, simply giving people the opportunity to work longer where they can and are possible and desired.

As for loans and debts. At least they should not have to be taken out for 1st necessities, but also for a reasonable degree of education. I think that loans should not be taken out for college or university studies, and that at least financially these should be accessible to everyone. But also that all or much of the costs associated with such a study should and could actually be paid by the government. So that little or nothing needs to be borrowed for these studies. Whereby, possibly, part of the costs should be recovered from individuals who - through or thanks to these studies - later earn such a high salary that they can easily pay back the costs of the study.

An individual who applies for patents for a particular product or service should not have to pay anything for obtaining and maintaining the patent if and as long as there is no actual income from the patent and sufficient to pay the cost of obtaining and maintaining the patent. So as far as I am concerned, a completely different system for patents will have to be put in place. Where possibly after a sufficient realization of income is paid or where only successful patents have to pay a certain percentage of income annually instead of the now current acquisition and maintenance costs. But actually I think it is much better if there is almost no cost in patents That the patent maintenance costs should just all be dropped. And that then only a relatively small amount (lower than the current

acquisition costs!) has to be paid just for the acquisition of a patent, so that there is a threshold to apply for patents and that this is really only done from a serious point of view. This can be done simply once the EMS is in place. And therefore it will become much easier to patent something and it will also have to cost relatively very little as long as the patent is not actually going to yield something.

If there is more labor available than needed, it should not be the case that those who do not work also have no income or too little income to meet the necessary 1st necessities of life. Furthermore, truly everyone in society should at all times have sufficient reserves and be able to buy their own home that meets accepted standards and also at all times be able to continue to pay the financial burdens that this causes. In fact, banks should be able to provide everyone with a mortgage that is sufficient to actually be able to purchase and maintain a common and reasonable home.

So further, I myself also believe that a well-run economy must also be social. This can and should be done in various ways, but in terms of labor and work, it is important that people should obviously be able to stop working at some point in their lives. At the moment the retirement age is quite high, and that is mainly for financial reasons. Socially and also factually, the retirement age can quite easily be lowered, because there are enough young people who can take the place of the elderly. Only financially, then, it is apparently not yet possible, lowering retirement ages, within and with the current monetary system. If and when the Excellent Monetary System of mine is in place, lowering retirement ages will be possible. And that will have to be realized then. On top of that, from then on, retirement benefits can also be financially increased. And also the contributions to pensions can then be paid more from the government and less from the individual. It is then even possible that really all spending on pensions and pension benefits will be paid by the state, completely. And that the pensions get a completely different, better, form and possibly denomination. What that will all look like I cannot describe in this present book but I am confident that something beautiful will arise here as soon as my EMS has been introduced.



## **22. The purpose of the Excellent Monetary System.**

We are currently living in strange times that are difficult but interesting. Difficult as far as the present situation is concerned and interesting because of the present and future situation. The interesting then is in the learning and development of individuals in a completely illogical and disturbed economy and therefore society.

With and after the introduction of the EMS, our times and society will no longer be difficult, but will remain interesting. That interesting will then have a different content, which I hope will become largely clear after reading the rest of this book. In particular, the interesting is then in the unprecedented possibilities that the EMS will offer for a different design of economy, organizing, society and personal life and development.

The goal of the EMS is to create a monetary system and economy within which individuals have more freedom. But in which that freedom should not and cannot be without some obligation. Individuals will still retain the social obligation to contribute to society wherever possible and necessary. Which can be done in many ways. Intellectuals and researchers, for example, will hopefully have much more freedom to organize their time themselves much more and, in research, will have much more access to all the help and tools needed to conduct that research in the best possible way.

Another goal of the EMS is to bring some logic back into our financial and monetary system, and thereby into our society as a whole.

What is also important is the goal of EMS to actually make society more sustainable. This includes removing the need to produce in order to secure income. There will be much less need to produce in the future after EMS is implemented. A further extension of product life and improvement of products. Together with perhaps clever ways to need fewer physical objects in our way of life and leisure activities will hopefully lead to less production and consumption.

The further decoupling of labor and income made possible by (introduction of) the Excellent Monetary System offers unprecedented opportunities. Everyone will be able to get enough income at all times while additional income does not have to be withheld. Also, on additional income and in general on income much less or no tax needs to be withheld. Because with the EMS, at least financially, taxes are no longer necessary. After all, even without even any tax revenue, governments can simply pay all their expenses as well.

As such, the Excellent Monetary System is an actual growth system where economics and organizing will no longer be a zero sum game financially either.

And then we come to the main goal of the EMS being to prevent a financial and social disaster in our society. This disaster is already underway, where it has been for a few years now and even before the financial crisis became official. However, the financial position of many people has only gotten much, much worse since the year 2008. Now it is difficult for more and more people to make ends meet financially. However, this will only get much worse in the years that follow. Unless, and this is really the only way to prevent and solve this far-reaching financial and social disaster, the Excellent Monetary System is introduced.

## **23. Raising minimum wages in the Netherlands under the EMS.**

One point of discussion that I think both in present times but especially under the EMS should not be a point of discussion but should simply be effected is the increase of minimum wages in the Netherlands.

Currently, that minimum wage is about 9 euros gross. That includes payments for pensions, income tax, sick pay and the like. This is a very low amount of income per hour, but also, when this minimum wage is paid, very little is set aside for the employee in question for later, for his pension. But also, therefore, the income to the government in the form of income tax is lower if the wage is actually close to or equal to the minimum wage.

If we then also consider that temp agencies generally charge and also get about 25 euros per hour for the temporary workers they employ in production or distribution companies. And which they themselves also generally pay about the minimum wage to. So about 9 euros per hour. So while the companies that hire these people seemingly have 25 euros left over per hour for those same workers. Then the question is

Why the government allows temporary employment agencies to pass on so incredibly little of that \$25 or so to agency workers

Why not start a national employment agency or something where workers can hire temporary workers for the same amount or even a little less than the amount they pay to other employment agencies right now. But where those same temporary workers are paid at least 15 euros gross in the hour. From the margin the overheads can then easily be paid and in addition it will lead to more income tax revenue for the government. Indeed, this will lead to a significant increase in government revenue. Under the EMS, however, that revenue will be less needed so possibly the income tax can also be reduced or abolished. But in the beginning it can just stay in place and be slowly adjusted in steps to the EMS in the near future.

In any case, it is not only logical and highly desirable but also very possible to just raise the minimum wages in general equally to 15 euros per hour. After all, employers are already paying 25 euros per hour per employee, in fact this is the amount employers are already paying in 2012 for temporary workers and all those paid the minimum wage. Temporary employment agencies should then be able to operate on the 10 euros they have left in margin, which should be quite possible. Otherwise, they should work more efficiently instead of passing on absurdly little of their income to temporary workers as they do now.

But apparently there is or are still arguments for keeping the minimum wage as low as it is in the current era. These will undoubtedly be financial arguments, and apparently the government is afraid that some businesses that are indeed struggling now in the current economy will be in complete trouble if the minimum wage is raised. This fear, by the way, is quite justified. The current monetary system, and the income crisis that is now a fact of life as a result, just makes it really very difficult for many individuals but also businesses to make ends meet. And unfortunately, because of this, the step of increasing income, which is really very much needed, cannot be made very easily because of dependencies within society. This is precisely why the introduction of the EMS system is badly needed, because my innovation for the money system (the EMS method) makes it possible to drastically increase the incomes of, in particular, the lower income groups, but also the incomes of those entitled to benefits. This also by, among other things, increasing rent subsidies and health care subsidies as well, and then paying for that increase in full or in part through my innovation for the money system.

But, returning to the topic of this part of the book. So the EMS will also make it possible to raise minimum wages WELL or not substantially. This can be done by lowering remittances from gross wages (remittances to social security and pension contributions and income taxes and the like) but also through an addition or non-addition from the government to net hourly wages. But even without these additional addition(s) to net wages, net wages can therefore go up via the EMS, because by deploying the EMS innovation, the pension contributions and social security contributions that are currently paid from gross wages are then more and more unnecessary. As a result, the difference between gross pay and net pay may become smaller. And thus workers will be able to have more net pay left over. Along with other monetary reforms through the EMS that can and will also



lead to increased earnings. This could include reductions in taxes and health insurance premiums, as well as other complementary actions.

## **24. The excellent monetary system and difference from that which is already there and that which is represented in theory and science**

My excellent monetary system will become a reality as soon as my innovation for the monetary system is implemented. This will be so if it is used to solve the current debt crisis and/or to complement the current deranged and incomplete monetary system.

What is very important to realize in this regard is that

My innovation for the monetary system is intended to complement the current monetary system. With the goal of making the current monetary system more complete, but also more flexible and open. Much more in line with the characteristics of present and future society.

My innovation for the monetary system is not only the most necessary and excellent solution to the debt crisis, but also the key to moving to a sustainable monetary system. This sustainable monetary system is necessary to transform into a sustainable society and to make real sustainable growth also sustainable and lasting possible. While I do not claim or guarantee that this sustainable growth can actually become a reality in all desired areas, the most optimal sustainable growth requires a sustainable monetary system. My excellent monetary system is - at least for today's society - the most sustainable monetary system for our society.

A sustainable society demands sustainable organizing. Sustainability is about continuity. But continuity of what? And sustainability for what? As far as I am concerned, sustainability of organizing should be about sustainability for people and society in general. Not sustainability for workers or sustainability for employees or sustainability for or of products and organizations. Although sustainability of workers, employees, products and organizations can be part of sustainability for people and society. But destruction of work, products and organizations can also be part of sustainability. Holoplural sustainability. Based on phronesis and guided by practicisim and what I call "sane sensemaking." But

before that, really our whole financial and monetary system must also be based on and become facilitative of holopluralistic sustainability.

My excellent monetary system enables holoplural sustainability because it is a complete, open and flexible monetary system. In which, among other things, the following become possible and a reality

The financial and economic crisis can and will be solved by my Excellent Monetary System

Decoupling income from labor will become a possibility and a reality. The dependence on labor and work to generate income will disappear or be reduced because part of the income can then really be produced/generated without the need for any labor at all. Whereas now really all financial resources so also income is a result of direct or indirect labor of past or present.

Abolishing some or all taxes will become possible because government spending will no longer have to be financed (by the population) through taxes. While now tax revenue is still needed to pay for government spending it will no longer be needed if my innovation for the money and monetary system is used to finance government spending

Because there will be an extra possibility to finance government expenditures, but also because this will not create extra debt for governments, governments can finance much more than they do now additional expenditures that facilitate and enable a sustainable society. Extra money can and will be available for science and for further sustainability of government organizations, organizations in general and individuals in society. In which also 1) to 3) are facilitating and part of the new sustainable society made possible by my innovation for the money system and facilitated and supported by my excellent monetary system.

As dependencies between and of companies and organizations decrease, as a result of introducing my innovation and the resulting Excellent Monetary System, much more sustainable policy rules and actions can and will also be implemented. For example, in the area of energy alternatives.

As far as energy alternatives are concerned, one can then, for example, apply innovations more concretely that lead to a reduction in the use of gasoline but that will cost many jobs. Similarly, other improvements in society that do cost jobs can then simply be introduced at a more accelerated pace, without a major

impact on the workers involved or society in particular. A sharp reduction in needed gasoline that comes relatively suddenly will undoubtedly result in much less work and thus revenue for a company like Shell. But that doesn't matter as long as the workers involved remain assured of income and dependent companies can also possibly be offered income replacement should this be desired.

At its simplest, my innovation of the money system involves the actual creation of money. Only, it makes an awful lot of difference :

HOW that real additional money is created

By WHO that additional money is created

WHEN that additional money is created

With what PURPOSE that additional money is created

Under what CONDITIONS that money is created

Supported by which financial and monetary system that money is created

Supported by what way of thinking (sensemaking) that money is created and used.

All these aspects, as far as it is possible and practical and possible, are already part of my innovation for the money system and my excellent monetary system. The what has already been mentioned in my book on amazon/kindle as far as my innovation for the monetary system is concerned. While points 1 through 7 are also covered and included in the solution being my innovation for the monetary system. Thus, in addition, my innovation for the money system is not only the solution to the debt crisis but equally the necessary addition to our money system leading to the Excellent Monetary System.

In my previous book, as far as I can remember, I did not mention the name Excellent Monetary System. But the realization that my innovation will lead to it and substantive features of the EMS and also the monetary policy that goes with it is included in the text with descriptions of what can and will become possible with it. Such as partial or complete elimination of taxes such as income tax,

excise tax on gasoline, value added tax. In fact, all the necessary features of the EMS were included in my 2011 book, only I did not name it then with the name/representative name Excellent Monetary System.

The content and character of my innovation for the money system is by definition the best solution to the debt crisis and the most optimal complement for our current money system in current conditions such as our economies and society, among others. The innovation itself involves, as I wrote in my previous book (found on amazon/kindle), the additional creation of money in the following way

The government or governments (the who) installs the same software used by banks for Internet banking and/or their own banking system on their own server or computer

This software will be linked to the international banking system. From then on, that government server is also just a bank and part of the international banking system

The government creates a bank account within its own banking system (with the software, within the digital computer system) and then also creates digital money there by typing a number or digit with a few zeros for the currency sign. Possibly the regular software will have to be modified slightly for this but that will be a simple operation/step for a little programmer of that particular software.

Then, after digitally creating numbers in that bank account created by the government, it can be used to solve the debt crisis by paying off debts of the government or governments. All kinds of other government expenses can be financed with it, such as social security but also additional expenses for science and further sustainability and improvement of our society. At a later stage, based on rules, other parties and perhaps also specific persons can be given permission to create additional money to pay for things. Such as perhaps for scientific purposes, health care, maintenance of critical processes and organizations.

However, what is also especially important is that which is not addressed or mentioned by me regarding my innovation for the money system. While I do need to mention something of that here because it is very essential after all. It was actually already contained in what I have already described, but is apparently not

perfectly clear from that. Being the fact that my innovation for the money system is not intended to completely eliminate debt and/or debt creation from our society.

This is also evident from what I also wrote in my previous book, namely that as far as the solution to the debt crisis is concerned, with the money created (only) government debts and possibly some of the public and corporate debts (but not all) should and can be paid off.

So this means that debt and the creation of debt by banks when money is borrowed will simply remain a part of our monetary system. My innovation for the monetary system is not to keep future private debts and debts for organizations from arising. However, it is intended to prevent any future debts of governments from arising. This then benefits both organizations and individuals because it allows for the reduction, sharp or otherwise, or even complete elimination of taxes. But also, and perhaps much more important and essential, my innovation and the resulting Excellent Monetary System will enable the accelerated introduction of sustainable or desired developments in society. Even if these lead to reduction of income for businesses or even destruction or disappearance of entire industries or businesses or organizations. Indeed, reductions in income of affected individuals can be supplemented with ease after the introduction of my innovation and within the Excellent Monetary System through supplements to income by the government.

But at the individual level, government will also be able to play a much larger role in many ways with respect to meeting consumer needs.

But in fact, this is already happening because my innovation of the money system, when properly applied, really guarantees sufficient income for everyone, even in current and future situations. Of the lower incomes, incomes will be able to increase to such an extent that truly everyone will be able to buy their own home and actually continue to pay for it even if the other necessary incomes and even luxuries are paid for. Without having to incur arrears. But since also the system of arrears and method of collection has a logic in it that also remains at least partly within the Excellent Monetary System, this will have to remain part of the money system. But in fact, those parts of the Excellent Monetary System that do not fit the Excellent Monetary System will more or less automatically adapt or

be adapted to the new situation that then arises. After all, within a system our society adapts itself to the possibilities that exist. These possibilities will increase dramatically in just about every field and area after the introduction of my Excellent Monetary System. The current negative tendencies and the negative character of much that has to do with money (which is just about everything in this society) can then really be transformed into something really positive and also much more positive than ever. Sustainability and sustainable organizing and also sustainable social relationships will then have much more chance than in the present time.

My excellent monetary system is the most sustainable monetary system imaginable for present and future society. Whereby, of course, I do not exclude that this system can and will eventually be replaced by an even better alternative for that time. Eventually, the role of money as we know it today will fade more and more into the background and become less important. Issues such as payments without the payer taking the initiative and paying attention to it at the time-but having given or giving consent-are an example of this. And I don't just mean like now authorizations but also, for example, payments at supermarkets or other physical stores through iris scanning or other automatic recognition and authorization. The technology of the future will give more and more possibilities for this, but in addition my excellent monetary system is a much better basis and guide for this.

But for this time and also to enable and facilitate further improvements of society in many areas, my solution to the debt crisis and complement to our current incomplete and deranged financial system is absolutely required. My solution to the debt crisis and complement to the financial and monetary system, leading to the Excellent Monetary System I initiated and developed, is a step that is absolutely necessary. Solving the debt crisis alone is not possible through the cancellation of government debts by banks. Because that way no additional money enters the system, which is absolutely a requirement to solve the debt crisis.

Moving to so-called full reserve banking, which is proposed by the positive money initiative in England, among others, is also not a solution. This alternative, positive money, also calls debt-free money creation (which is also my innovation for the money system, among other things) , but of course there are different

ways to create debt-free money. For example, it matters a lot who does it, but more importantly, how it is done. Full reserve banking is not a good alternative, quite the contrary. The possible creation of debt in a monetary system is not bad or detrimental, on the contrary. Debt in itself is not a problem but a great tool and feature of our current financial system. Which in principle nothing needs to change, except that the illogic of too little or no additional money creation when it is needed must be removed. So, in addition to debt creation, enough money must be created to (continue to) pay off those debts and also to guarantee the continuity and sustainability of our society.

In the financial newspaper of May 12, 2012, an article was published also by Klaas van Egmond, among others. This article is called "fundamental errors in financial system; money creation should be task of government" (Klaas van Egmond, " Fundamental errors in financial system- Money creation should be task of government" , May 12, 2012). This article is interesting in itself, but especially to put next to my innovation for the money system. Which I therefore developed before 2011 and which is described in my book I published on amazon/kindle in 2011. By the way, around the year 2010 I also had brief contact with the initiator of the positive money initiative in the UK. The initiative which is also mentioned in the article by Klaas van Egmond that appeared in the financial newspaper. At that time I also informed the initiator of the positive money initiative that I liked parts of his story, but I also sent him information and pointed out my work. Subsequently, their goal is also focused on government money creation and visions similar to those expressed in Mr. van Egmond's article. But, and this is the essential thing, both the visions and concepts of the Positive Money initiative as well as Mr. van Egmond's concepts are still inferior and based on the current money system and a limited vision and possibilities for the future.

For example, the Positive Money Initiative advocates (as do all other groups belonging to the International Movement For Monetary reform, as does the Foundation " Our Money" ) Full Reserve Banking. Which is a completely unsustainable and restrictive and harmful way of banking. Although Milton Friedman has also argued for the same.... As far as positive money UK is concerned, further, this initiative argues that we got into trouble because of the creation of debt by banks or because of debt or the current financial and banking system per se. Which is completely false and irrelevant. The alternative to the perceived problem-which is not the real problem-is then worked out through a new but also highly restrictive banking system. While Mr. van Egmond does not



mention my name and neither does the positive money initiative, I am the only person most advanced in understanding money and monetary system and policy and its possibilities for the future. And I am the only one who has created a real and most excellent solution to the debt crisis. But in addition to that, to transform our society to a much more sustainable and social one. In which the excellent monetary system I have created-which takes effect as soon as my innovation is implemented-is supportive and of elementary importance.

However, the following facts, mentioned in "Fundamental errors in financial system; money creation should be task of government" (Klaas van Egmond, "Fundamental errors in financial system- Money creation should be task of government" , May 12, 2012) of interest and interest. Which, by the way, I assume are facts and that what Mr. Egmond claims herein is true and correct. I have not yet checked this out and do not have the resources to do so entirely. But even if some of the following things mentioned in the article are incorrect, at least some of it will reinforce insight. I would like to mention the following issues/points here"

- The Netherlands must cut about €14 bln to meet the 3 percent standard for budget deficit.
- As for inflation, the consumer price index-the main measure used to quantify inflation-does not include truly scarce goods. Houses and land are NOT included.
- House prices have risen about 5% per year for the past several decades.
- On balance, structural capital is transferred from the real economy to the money-creating financial economy.

So these points, all mentioned in the above article, are at least of interest and also interesting. What is further interesting, however, is something I did not yet know. By which I am referring to the following quote by Abraham Lincoln :

"The government should create, issue and circulate all the currency and credits needed to satisfy the spending power of the government and the buying power of consumers. By adoption of these principles, the taxpayers will be saved immense sums of interest. Money will cease to be master and become the servant of humanity." ( Abraham Lincoln, US President 1861-5)

Source : [http://www.moneyreformparty.org.uk/money/about\\_money/quotes.php](http://www.moneyreformparty.org.uk/money/about_money/quotes.php)

At the source mentioned, on the web page in question, there are more such statements by various politicians and important people. This website also refers to the positive money initiative. And it says, among other things, the following, in English:

- "The Money Reform Party exists to educate the British people and their politicians about the money system and to campaign against the creation of the money supply by the private banks"

- "The purpose of the Party and its sole policy shall be to promote, by any legal means, the abolition of the power to create state-backed money (sterling) by private individuals or companies for private profit, and the investment of that power in national or local government for the benefit of the public purse"

- The role of the Party is, through the electoral and any other legal process, to bring to the attention of the British people and their politicians the problems caused by the present debt-based money system and the solution of these problems by the issue of government-created money.

It is intended to be a platform for those convinced of the central need to abolish the present debt-based money system and replace it with one based upon government-created money.

(<http://www.moneyreformparty.org.uk>)

The last point mentioned here shows that the money reform system was created to replace the current debt-based money system for a money system based on government-created money. However, it does not address what that government-created system or money should look like. But at the same time it does say that the current debt creation-based system should disappear completely. Furthermore, the site of the money reform party refers to charging interest on debt as something negative and undesirable.

So as far as completely replacing one system to another system is concerned, the opinions of positive money and money reform party agree. Also, both mention the debt creation based system and also the creation of money out of nothing by banks as a main problem and also cause for problems in society. The positive money initiative wants all kinds of regulations and even mentions the

close monitoring of money quantities to prevent inflation. Something similar is also mentioned by the money reform party.

As such, both the proposals of the positive money UK as well as the proposals of the money reform party are not feasible in practice, but in addition are just as harmful and negative in practice as the current money system is. Perhaps slightly less, but the fact remains that both the positive money UK as well as the money reform party stand for a replacement of current structures and systems that are not optimal or even negative in practice. And in any case not feasible.

This is also partly because the positive money initiative and also the money reform UK initiative do not yet sufficiently understand the essences and possibilities of the money system and monetary policy, and also for this reason they still rely too much on ontological perspectives and concepts that do not sufficiently realize the possibilities that exist.

My innovation for the money system and the resulting Excellent Monetary System does. The innovation I propose in my book on amazon/kindle is deliberately named as an innovation and as a tool, which does mention the necessary preconditions and parties to implement it. No more and no less. In essence, it does not matter so much whether banks or governments introduce or implement my innovation, it is more about making it happen. And in the way suggested by me. Small differences matter a lot in this regard. And many things that seem extremely small in terms of difference are actually very large differences. For example, like the following differences/characteristics of my innovation compared to other proposals :

My innovation is intended to complement, not replace, current money flows and money systems

My innovation is focused on the financial, but in a way that ultimately aims to improve not only the position and opportunities of individuals but to improve the whole society. And further, my innovation is focused on sustainable organizing, where the social side is very important and has a central role.

My innovation is based on the understanding that money is-and should become-much more of a catalyst for sustainable growth and sustainable organizing

My innovation is towards a much more open money system than the current closed and rather rigid money system. Where the open money system serves individuals and society and not the other way around.

Part of the reason my innovation is meant to complement the current one is because I don't see debt creation per se and also paying interest as a problem for society. And it isn't. IF the financial and economic system is complete. It is not now, and my supplement corrects that in most excellent and effective ways.

Unlike the Positive Money initiative and also the Money Reform UK initiative, I don't really see inflation as a problem. And if and as soon as my innovation for the money system is properly implemented, it won't be. Part of the reason is also the following point

My innovation is essentially focused on and based on the understanding that there is far too little money in the system or economy or society (whatever one wants to call it). The understanding that entities (entities being objects, subjects, organizations but also processes) in our society demand more and more money or parts of the money supply. Something that at all levels leads to money becoming increasingly scarce and the allocation of money to different entities becomes more and more a process of choice and difficulty. Due to a growing lack of money at different times and places in society. This can only be solved if really FAR more money is REALLY created/ enters the system. Not through debt creation but without debt creation.

However, this last point is not to say that the creation of debt is in itself a problem. On the contrary. When people borrow something, it is in principle justified that they have to pay interest on it (as compensation for the work involved at the bank as well as compensation for the provision of money by individuals and companies to the banks) and also that they have to pay back the borrowed money. This is something that is normal and common and also has good logic behind it. However, it becomes different when banks create money out of thin air and then lend it to parties and receive both interest and repayment of that money out of thin air. Or if they create money out of nothing and then lend it to governments. Who then have to pay interest and also repay the amount. I am not saying that this is how it is at the moment, but where the system works this way something is really going wrong. In that case, governments would not have to borrow money, but should be allowed and able to create money out of nothing in order to pay expenses as well as debts.

Thus, the alternative proposed by the Positive Money initiative is not a good alternative for several reasons. There are some good statements by the initiators, but the elaboration of their proposals is incorrect. And their proposal in general, where full reserve banking is an important part (at least at this time being the year 2011 and also 2012 until now), is completely incorrect and will not lead to an improved situation in the world or economically. On the contrary. Their alternative will lead to an unsustainable financial and economic situation and make our society even more rigid than it already is in the present time. A situation that we absolutely cannot use and that will lead to even greater problems than those we already have today.

My Excellent Monetary System is the solution to the crisis AND the tool and required complement to the monetary system to transform our society into a sustainable society. In which the transformation from sustainable products through sustainable organizations to the core of a sustainable society, being sustainable organizing, is a very essential one. Within management and organizational science, sustainable organizing will play an increasingly elementary role because sustainability (and I am talking about sustainability as a very general and broad concept and essence of organizing) is becoming more and more essential in our society. But mainly also because sustainability represents a very essential core of organizing and managing, and can transform all social sciences into something much better and grander than what we have available now. Some of the building blocks for this are already in place, but in terms of content, sustainable organizing is only in its infancy. To actually make sustainable organizing possible to a much greater extent than it is now, first, my innovation of the money system and the resulting Excellent Monetary System will also have to become a reality.

Dependencies and scarcity lead to constraints. Constraints that are detrimental in many areas. Sustainability is about freedom when that freedom represents the removal, liberation from those constraints. Not being restricted in action. However, this is only the condition for sustainability to really be much more possible than is possible in the present time. In addition to this condition or prerequisites for sustainability, however, there are of course the substantive aspects and qualities that sustainability represents and makes possible.

Sustainability is about quality, and quality can only really be effected if there are choices and if they can actually be realized.

This also requires, first of all, a sustainability of politics and political policies.  
Which is a start and prerequisite for making the rest of society more sustainable.

## **25.Sustainability of organizing and the role and position of politics in it**

Here I want to look a little more broadly and deeply at the concept of sustainability and sustainable organizing, and what it means for politics. Those who will read this section will hopefully understand that my understanding of sustainability and sustainable organizing is quite different from common notions of sustainability and sustainable organizing. Where the difference lies much more in the concept or perspective or vision from which sustainability and sustainability are conceived and understood, than in the word sustainability itself. But where sustainability and sustainable organizing also takes on a very different meaning and content than the usual ones. And where the differences are very essential and good for a greatly improved understanding of sustainability and sustainable organizing but also leads to greatly improved possibilities for our society, organizations and individuals. Opportunities that will become much more real after my innovation is implemented and within the Excellent Monetary System.

So before I delve further into the sustainability of politics, I will also need to talk a bit more about my understanding of sustainability and sustainable organizing. What do both of these terms mean? Obviously it is quite difficult to articulate that in a good way, but I am going to make a hopefully good attempt at that here.

Sustainability as I understand and mean it is about relational sustainability and sustainability in the present and future time. But also about sustainability as it can and actually should be given content in the future given the new possibilities of the present and future time. Where the present is part of the future and determines the future, but where that determination and determinism of the present time for the future can also be directed. And where the influence of the present on the future in some areas and aspects can be quite reduced if the right conditions are created for this. And since sustainability is also about reducing dependencies and constraints, sustainability is also about reducing influence and dependencies of the past on the present and the past and present on and into the future. The future, our society, must be sustainable. The more sustainable society is, the more opportunities society and individuals have to choose for themselves a more sustainable path of development. Which should not and

cannot include complete freedom of choice. Steering is necessary, but steering based on and aimed at sustainability for individuals and society.

Here enchantment, enchantment as being enrichment of life and society, also plays an important role. Relational sustainability is about enchantment. Real social social responsibility (SR) is 1 of the conditions and tools for enchantment. But relational and sustainable innovation also leads to enchantment. Corporate Social Responsibility in this day and age is unfortunately still too much based on the possibilities or rather impossibilities of our current monetary system and policies. By monetary policy I mean, as always, the financial policies of organizations and individuals. Unfortunately, this monetary policy is still holding back real full and pure social policy too much.

Sustainability must be realized in several areas. Sustainability includes environmental sustainability, social sustainability, financial-economic sustainability, organizational and organizational sustainability and individual sustainability.

Over the past few decades, we have all been living less and less sustainably. We live healthier lives, our social relationships and society is less and less sustainable, and ecologically we are also less and less sustainable. This is also due in part to increasingly unsustainable politics and political policies. The reasons for this can be thought of in different ways and there will also be differences or rather multiple causes. But the main cause also lies in our current financial and economic system and the role and possibilities or rather impossibilities and limitations it offers and gives in our society. In addition, it is also a resultant of substantively just really bad and unsustainable monetary and general policies of governments and governments and also larger organizational entities such as, for example, the EU.

More sustainable political sustainability requires unification. However, this unification should be more about unification of intentions, and less about unification of laws and actions. By which I do not mean that laws should not and cannot be more uniform, but unification of intentions and perspectives should precisely not start to lead to restriction of freedoms of individuals and Mac



Donaldization of society, organizations and individuals. Where McDonaldization stands for standardization of work processes, actions and actions.

The I or we versus the other will increasingly have to give way to an I or we AND the other(s) for a more sustainable society and organizing. However, this is a difficult area of tension, particularly because values and virtues are difficult because of, on the one hand, the respect and freedom that must also be given to others and, on the other hand, the importance of quality and values and norms in action. However, it is not always so simple and easy to judge or better understand what quality of action is and what norms and values in society and individual and collective action should and should not be lived up to and in what way.

Sustainability, on the one hand, is about creating the right conditions and opportunities, while on the other hand, restrictions must be set and undesirable developments must be prevented to a certain extent. This requires interference and involvement by the state and politicians, but in a proper and desirable way. Which will only be possible if the state and politicians themselves become more sustainable, if in terms of content and organization the state and politicians are much more in line with and consistent with the theme and the reality and desirability of sustainable organizing.

At its simplest, however, that requires a financial system that actually enables positive monetary policy. This is not the case with the current money system. That money system is far too rigid and closed and not of our time. It does not fit the current situation, and has not done so for a long time. The 2008 financial crisis and resulting debt crisis that continues today is the result of an accumulation of financial deficits. An accumulation that has only been able to take place because we have been accumulating debt and for much longer than even 10 years before 2008. So all this has been going on for much longer. The fact that debt has accumulated over the years is only a good thing. Because without that debt accumulation we would never have performed so well all together in the years before the financial crisis, the economy would have been much worse off even then.

So not problematizing debt for the year 2008 just worked for that time. And would simply continue to work for the present time as well. That is, if but only IF politicians and governments would NOT problematize the debts of the present time and preferably also the inflation of the present time but simply accept much more- including from Greece-then that would already lead to much better economic situations and also to more employment and growth for the present time as well.

The fact is that debts do then grow more too, just as they did the period before the crisis. The fact is also that while governments' monetary policies reduce government debts, on the other hand, those debts grow just as fast and probably even faster in the inhabitants of countries. Individuals. Who have to take on even more debt because of government cuts. And some private individuals - individuals- are not making it at all.

Because of dependencies in the lives of individuals, the current content of monetary policy is going to have a negative impact on a lot of lives. This can be prevented, and can only be remedied, by introducing my innovation of the monetary system.

Once the excellent monetary system is a reality, with my innovation for the money system, the damage that is being done now at this time- before the introduction of this excellent monetary system- will also have to be fully repaired. Individuals adversely affected by the debt crisis now and in the past must be compensated for it by the government in the future. At least the financial damage must be compensated, and additional compensation may be added.

## **26. The unconditional basic income, QE for citizens and a " debt jubilee"**

The " our money" foundation has come up with at least 2 proposals in the past that are not going to work. I am talking about the following 2 fractional proposals, which they want to see realized within the current monetary system (or within their full reserve banking proposal) :

Using EU Quantitative Easing (QE) money for direct benefits to residents

The worthless proposal of unconditional basic income

Both proposals come from groups-and individuals affiliated with them-who, compared to me, still have far too little real understanding of a) what is going on in society and b) what is needed to really solve the problems in the economy and society, or at least to realize the best possible climate/context for it. Where b) can only be optimally realized if a) is also sufficiently understood.

The " our money" foundation, like most groups and individuals in our society, still assumes that the banks are the root cause of the debt crisis. That their way of acting has realized it. However, the "our money" foundation and the individuals connected to it focus more on the monetary system and in particular on the fact that banks are allowed to create money out of thin air through fractional reserve banking. That function or possibility of creating money out of nothing by banks is what " our money" wants to take away from those banks; they want banks to no longer have the possibility of fractional reserve banking. No more at all. The alternative that " our money" and all other groups affiliated with the "international movement for monetary reform" propose is a full reserve banking (FRB) system. Klaas van Egmond also proposes this, including in the publication I refer to in another part of this book.

The fact is now that both the general public, but also the groups affiliated with the " international movement for monetary reform" (including the Foundation " Our Money" ) thus ultimately hold the banks and the banking system responsible for the emergence of the crisis of 2008 and beyond. This also applies to the

government. On March 16, 2016, the citizens' initiative " Our Money" was discussed in the second chamber.

The discussion that took place there showed, among other things, that most members of the government see banks as the main cause for the creation and perpetuation of the economic crisis that became official in 2008. By many, 2008 is also seen as the beginning of the financial crisis, while the underlying causes have been present for much longer and the crisis was also developing for much longer.

Contrary to what Foundation " Our Money" communicates and what is also thought by almost all individuals and organizations as well as governments, the underlying cause of the crisis is not so much the banks. Nor the monetary system per se. However, the crisis was and is caused by developments in society that cause the current monetary system to no longer fit the developments and issues in today's society. In fact, the current monetary system has not fit the developments in society for a long time either, including in and with the economy and society from several decades back to the present. A transformation to a better monetary system is long overdue. Where better in this case means a monetary system that supports the previous and current and future developments in our society and economy much better and at least adequately. The current monetary system and resulting (possible) policies are totally incapable of doing that, and that is also the real reason we are now facing the current problems.

Therefore, the focus of the current government to want and think they can solve the problems by adjustments in and within the current monetary system will not and cannot really work. In no way. A transformation of the current monetary system is really absolutely necessary. Only in a different way than the " our money" foundation proposes. What is needed is a monetary system that will and can fully support society in all respects. The best option for that, as I have mentioned many times, is the Excellent Monetary System I have created.

What is interesting in any case, though, is that via QE lately some 80 bln euros per month is being spent. And what it is being spent on at the moment.

Especially if one looks at the development of interest rates at the moment and where the money is being spent thus, but also by which bank (the ECB) and who ultimately owns it. Also, in that context, the fact that monetary financing is prohibited may be very interesting.

Because the fact is that QE is spent in particular on the ECB buying up government bonds from banks. The ECB ultimately belongs to all countries as far as I understand it, and by the ECB's buying up government bonds, that is, national loans from EU countries are transferred from banks to the ECB. This is done by financing those buybacks through low amount loans or no loans at all. As far as I understand it, the former is the case, but I am not 100 percent sure about that.

However, there are two possible ways in which the ECB gets that 80 bln spent on QE each month, namely:

Creation of that money out of thin air, say like banks do now for mortgages. But then without any debt in return. This is a possibility to create/do it, but not like the ECB does..in that case the economy of the EU countries and also the world economy would have improved dramatically a long time ago. And in that case one would also almost do what my innovation for the money system aims at..I say almost, because even in that case it is thus not yet completely optimal and what the EMS aims at and implies.

Borrowing the money used for QE and then using it to make investments in the economy. This is the option that is currently in play with QE by the ECB and as it was in play with QE by the USA/US Fed. And this is also the way that is in line with Milton Friedman's so-called "helicopter drop of money" idea. Indeed, I have seen in a publication of Milton Friedman this proposal of his named and he proposed not option 1) (money creation from nothing and then the so-called "helicopter drop" but a helicopter drop as he called it with money borrowed by the government. At interest of course.

So what the ECB is actually doing now under the name Quantitative Easing (QE), is borrowing money at an interest rate and using that to make investments in the economy. And although in fact one would like that by means of these investments also more mortgages are issued by banks, it happens less in the

economy. So the ECB does buy up a lot of government bonds. This means that de facto more and more government bonds are coming into the hands of the ECB, making national governments more financially dependent on the ECB and thus also on the EU. This higher financial dependence of national governments on the EU and the ECB must be convenient for the EU. So the EU has a strong interest in implementing QE in this way. In addition, the government bonds can be bought at a now quite low interest rate level, while the EU governments will still have to pay a lot of interest on the same government bonds themselves. Namely, the rates that applied when those government bonds were purchased/issued. In my opinion, this is completely unjustified and also not good for the economy. What is much more desirable is for the EU to simply let those government bonds be paid off at an interest rate near 0 percent or at a 0 percent rate. And in the future, if and when my Excellent Monetary System is a reality, those government bonds will better just have to be destroyed altogether. And with them a large part of the debts of EU countries as well. The latter will benefit all EU countries and also the EU, if it is implemented on the right scale and in the right way.

QE for the people, as I noted, is not going to work. Because the EU will not want it to. They will not want to borrow money and pay interest for it (or not) and then give that borrowed money to the EU citizens just like that. Right now this QE money as I mentioned is being used to buy government bonds. This benefits the financial and thus overall integration of the EU. And thus serves the EU interest. Gifts to EU citizens do not do that adequately within the current monetary system.

QE for the people might work if the EU will indeed do this and if that money is then spent on paying debts of EU residents. Then again, these must also be debts whose interest rates are higher than those paid for the loans of the QE amounts. But even in that case, the question is and remains whether this QE is really going to work. And the proposal of QE for the people does not even mention HOW this QE for the people is supposed to work and what that money will be spent on.

Besides, the fact remains that QE for the people can then even better be carried out by national governments or even better by national or international organizations instead of the ECB. In that case, even then it is no longer QE,

because QE is something carried out by the ECB or national banks. And they both have no interest in it and, in addition, are completely incapable of implementing such a thing in a positive way.

So QE for the people is in fact a completely amateurish and incomplete proposal. Also because QE is thus financed with borrowed money. This is also why I find it unfortunate that so much attention is being paid to this QE proposal and that other worthless proposal of Unconditional Basic Income. It would and will be much better if individuals and groups affiliated with International Movement for Monetary Reform (such as the foundation "our money" ) but also other groups concerned with monetary reform are completely ignored in the future. AND especially their proposals. And that my proposal, introduction of the Excellent Monetary System ( the very best option and solution that there is and can be! ) is given full attention and introduced as soon as possible.

As for the proposal of unconditional basic income. This proposal means that really every citizen should receive a certain income as a base and also unconditionally. In essence, that income should also be sufficient to pay for the base from. As such, that basic income is then already higher or equal to what many citizens in Europe do not even earn when they are already working, unless one wants that under the unconditional basic income the basis should be a lot worse or lower than in the present situation. And so that situation, paying sun unconditional basic income to really all EU citizens, is completely impossible within the current monetary system; not feasible. And also within or with a Full Reserve Banking system or situation, an unconditional basic income for every citizen will thus be totally unfeasible. And therefore , also for this reason, the proposal of an unconditional basic income for all is therefore already nonsense and worthless.

The Unconditional Basic Income for all is WELL realizable and completely possible if the Excellent Monetary System is introduced, is a reality. But even then the Unconditional Basic Income is and remains completely worthless and undesirable. First, because it is undesirable that really everyone would then receive such an income. Many people already earn far too much and to give them an unconditional basic income is both undesirable and unnecessary. But in addition, an income should not be unconditional but conditional, and any income given in addition should not so much be a basic but rather a supplement to what

a person already earns or receives through social insurance and benefits. Those social insurances and benefits already work in and within the present monetary system almost optimally or at least correctly and in a desired manner. Only, both social benefits and laws as well as new social legislation and benefits will be able to be dramatically improved within and by the Excellent Monetary System. Only, these will be additions that are desirable and conditional and apply to far from everyone. The EMS and the monetary policy that fits and belongs to it should be relational and applied, appropriate to society and desires of individuals, organizations and governments at the time. In which hopefully not too many negative wishes will be implemented, but unfortunately I do not have complete control over that either and there will quite possibly be negative things done with what the EMS will accomplish. Overall, however, it will lead to a better situation IF it is implemented and used properly.

In today's (2016) time and society, there does not seem to be much, or at least not enough, work. But so this is mainly because of the strict link between work and income. And the money available in the present time to generate and pay for work. If much more money were available to pay for work and labor, much more labor that is not there now but is desirable could actually be created. This could include more and better care for the elderly, but also more and better support for science or, for example, more social activities and organizations in society. I am convinced that everyone who can work can also be sufficiently deployed for these additional tasks in society if and as soon as the money is available. Any supplements to income will then, if and when it is available, be able to be based on whether or not there is minimal commitment to those additional wishes of society and thus be given conditionally. Whereby people who absolutely cannot work will still get their supplements to income much less conditionally than people who can. And should to some extent, as a duty to society.

Last but not least, I also want to mention here the proposal of a "debt jubilee," as proposed by David Graeber, among others. David Graeber, who himself also seems to be behind Full Reserve Banking and various proposals of the International Movement For Monetary Reform, and who has also brought these proposals to the attention of some through Occupy and may want to bring them into the future, I have tried to contact in the past. This is because he thus also has preferences and even interest in inferior and amateurish monetary reform proposals at least until 2016. While there is such a good and effective solution, namely my Excellent Monetary System. But so his proposals so far are not



particularly good. The debt jubilee is not going to work because it implies a cancellation of debt, so the creditors may or may not completely lose their money. Not getting paid back. This is shifting money around in society that doesn't really serve much purpose. Somewhat, but not enough and certainly not optimal. Much more optimal and right is actual debt resolution as I also mention in another part of this book. By which is meant the actual repayment and therefore payment of debts. In which the debtor gets rid of the debt partially or not and the creditor simply does get his money back.

However, there is another important issue that I have not seen David Graeber mention or address in his book "debts, the First 10,000 years" Nor in any of his other talks or writings. I am talking about the issue: What are debts created, contracted for. Is it for luxury goods or extra additional wants or demands of people, or is it about money needed for basic needs that people really need to survive, to live? I think that David Graeber, as an anthropologist and in anthropological terms, could have added a lot by making it clear that while in the past debts were taken on much more to pay for luxury goods or things and services or needs that people did not really need, these same debts are now more and more being taken on and have to be taken on to pay for basic needs, whether socially desired and driven or not, and to be able to continue to pay for them. Those basic needs may have become more but are still more or less indispensable to function and continue to function in society in a normal way. I am talking about not directly life necessities such as internet, mobile phones and also education. Things that are not immediate life necessities but still can or even should be considered current basic needs.

Of course, it is completely undesirable for people to go into debt for basic needs. And especially if they are working. Yet in today's times, this is a reality for more and more people. Also and certainly this fact makes the introduction of my Monetary System highly necessary. Introducing my Excellent Monetary System is truly the highest priority. Higher than anything else.

## **27. “ Ons geld” foundation and their proposal**

Since the publication of my first book on, among other things, my new monetary system and my innovation for the money system in 2011 to also now, I have recorded in various files and publications what my understanding of the situation

is. And what my innovation for the money system and my Excellent Monetary System and complementary monetary policy should look like and also how it should and can be implemented. Also, a few years ago I captured my Excellent Monetary System and complementary policy as I envisioned it then (in fact, it was as advanced then as it is today) in a paper/article ( W.T.M. Berendsen, "Time for a transformation towards my Excellent Monetary Society, 2012) which I then submitted for publication to the Journal of Political Economy (JPE). This is 1 of the leading academic Journals in the field of (Political) Economy.

Unfortunately, this paper/publication was not accepted for publication at that time. However, it was also submitted electronically at the time so will-if this Journal also stores and maintains their electronic files properly-probably still be available there as well. Besides this publication, among other things, I have already had some information handed over to the Dutch Minister of Finance Mr. Dijsselbloem, but then I have not heard or heard anything back from him at all.

Several other initiatives and proposals for a new monetary system have also emerged since my proposal for the introduction of my Excellent Monetary System was long overdue. I am generally not happy about this, particularly because these proposals are not useful or relevant yet compete with my own proposal and only make introducing my own proposal more difficult.

Ever since the time I started my research and exploration of economics and money and monetary systems (around 2002) I have been providing people and organizations at various points in time with insights I had and have regarding economics and economic crisis and monetary systems and policy. I have also written a lot about this and quite a bit of it has also been published and can be read on the Internet. Despite having written and partly published so much, I have always been careful with communication also so far and also tried to know as much as possible and also to record what other individuals and organizations were doing. Communicating relatively little was at least for 2 reasons, namely :

During my communication with others and also just in time seeing and knowing what others knew and or have read about my work, I found out that unfortunately there were also parties that were and are also working on monetary reform and proposals for monetary change. Unfortunately, it was and is the case that some individuals or parties either could and did read some of my work anyway or were informed by me of certain insights or parts of my proposal, but then those individuals or parties then adapted their own proposal but without ever

mentioning my name. And, although to my knowledge no party or individual, at least until the end of 2014, was or was nowhere near as far along with their proposal as I was, they did come and are coming closer and closer to my proposal and are also proclaiming more and more proposals that seem to have more to do with it or also seem to be the same in parts. I deliberately write "seem" because there are still many differences. I will also come back to those differences in this chapter but also in other parts of this book. But the fact is that I must be very careful because I do not want others to claim my proposal and the development of my Excellent Monetary System. I and only I am the one who has developed the Excellent Monetary System and additional (possible) policies, and I and also only I deserve all praise and recognition for that if and as soon as the Excellent Monetary System and/or my innovation for the money system is implemented in the way I envisioned and have it and under the circumstances as I have always wanted and proposed. The circumstances being in particular also that the banks also can and may still create money as they do now (according to the so-called fractional reserve banking method and WITH interest) but that AFTER this already existing phenomenon my innovation for the money system is introduced as additional for the purposes as I have described among others in my book published in 2011 on amazon/kindle.

Also, because of the adoption of understanding by others who were and are also working on monetary reform proposals and processing or modifying their own proposals as a result, the danger of other proposals competing with my proposal increases. Every other proposal for monetary reform that LOOKS valuable or feasible competes with my proposal and makes both communication and explanation of as well as the actual implementation of my monetary system-if not much-more difficult. Even up to now, the time in which I am writing this part of my book (so late 2015) , really all other proposals for monetary reform out there except mine are based on too little understanding and also therefore still too incomplete and also more theoretical and in that sense also amateurish work which is not actually applicable or usable in practice. In contrast, my own proposal and my own innovation for the monetary system being my Excellent Monetary System are based on much better understanding than the incomprehension of the other parties and individuals who deliver or proclaim monetary reform proposals. It is therefore - also in that respect - extremely relevant and important that my proposal receives the most attention and is also the only proposal that is actually introduced in society and that my Excellent Monetary System will replace the current monetary system as soon as possible.

Right now there are several other groups and individuals working on monetary reform. The groups and individuals of which I am aware and of whose proposals both in recent years and now and the development of their proposals are at least the following :

International movement for monetary reform and all the groups affiliated with it. In general, those groups and those groups all want and propose the same thing. Until 2014 all those groups, including the Dutch branch/group " our money" proclaimed , that they wanted the " fractional reserve banking" system to be replaced by a " full reserve banking" system. What strikes me, perhaps also because I know that at least 1 person behind the " our money" initiative has read some of my work and understanding regarding the economic crisis and monetary systems and policies, is that especially the foundation/group " our money" seem to have changed the content of their proposals quite drastically since the end of 2014/beginning of 2015. What I also find very striking is the fact that the group or organization reports on their website that they only started researching monetary systems and policies in 2012, while in 2015 they already seem to be quite far advanced in their understanding and in any case are already making proposals to the government and are strongly behind the introduction of the basic income and trying to get it accepted and realized in society.

The proposals of/related to Modern Monetary Theory

The proposals for monetary reform as put forward by Occupy / David Graeber

The proposals and focus areas of Herman Wijffels' Sustainable Finance Lab

Those who propose debt free money. Those who do so, like the International Movement For Monetary Reform, generally propose abolishing Fractional Reserve Banking and moving to Full Reserve Banking. Nor does anyone who proposes Debt Free Money propose a completely new monetary system, other than the worthless proposal of moving to a Full Reserve Banking system upon complete abolition of fractional reserve banking.

So then in terms of persons, the following are also next. The vast majority of those persons are involved in or are behind the groups I have already mentioned. These are the following persons :

Bernard Lietaer. This person, as far as I know, is not involved in 1 of the above groups but has a proposal or proposals for monetary reform himself.

Ad Broere. This Ad Broere himself gives proposals for monetary reform but concentrates particularly on reform of the banking/bank system. Ad Broere is 1 of the initiators of the foundation/group "Our Money" . I see that group for several reasons as the biggest danger as far as adopting my understanding and proposal and incrementally/ in time adapting or attributing their proposal of monetary reform to mine. Even so far, so late 2015, their proposal is still completely unusable in practice and for many reasons and in many ways different from my proposal and my (much broader and also better) understanding. Yet they seem to (want to) move more and more towards my proposal.

Herman Wijffels and his Sustainable Finance Lab

The persons behind Positive Money Uk and also " our money" Netherlands. Of these I have already mentioned at 2) Mr. Ad Broere

David Graeber, the intellectual who has written a now famous and popular book on debt and also was and is behind the Occupy movement. David Graeber also proposed monetary reform through Occupy in the form of moving from fractional reserve banking to full reserve banking.

Most of these individuals and groups do not really come up with proposals, and if they come up with proposals at all, at least at this time (late 2015), they are not practical and at least incomplete and therefore not ready to be directly introduced into society. My proposal on the other hand is, my proposal is both practical and complete and is completely ready and suitable to be introduced into society and society. And if and when that happens the crisis will be over but in addition it will mean the greatest monetary and social revolution ever in our society.

As I have also mentioned in other parts of this book, while my Monetary Innovation and new Monetary System is the most important step, it is certainly not the only step or final step to ensure profound reforms in our society. The monetary revolution and innovation that my Excellent Monetary System will cause and guide is necessary to bring about various Social revolutions and improvements in society and to enable and support them at all in the most optimal way. I am talking about political improvements, organizational improvements, scientific improvements and individual improvements and progress, among others. And am deliberately talking about improvement and progress and not change because changes that are not improvements or

progress are completely nonsensical and useless and should not be implemented. And if they do take place they should be rectified or rectified as soon as possible to the more positive and constructive improvement activities and possibilities.

The Our Money Foundation has been saying on its website since about 2014 or early 2015 that it wants a money or banking system that works for society rather than against it. It also notes that it started in 2012 to do research on how the money system works and what can be improved about it. One wants to put money creation under public control and state money that is free of interest and debt. They also really want an end to money created by banks. Our money is run by Luuk de Waal Malefijt ( who founded the foundation in 2012) and Mr. Niels Korthals Altes and Martijn van der Linden . This foundation was started in 2012. For now, and also later in this talk, it is important to mention and also realize that the foundation is " our" money

On the website of the International Movement for Monetary Reform even now it is still stated that it wants to move toward a system of Full Reserve Banking

That the " our money" foundation talks about Volgeld and a Volgeld system, but that the same foundation, by the way of substantiating the concept of what Volgeld means, actually seems to contradict the concept itself. I am talking about the fact that volgeld in fact stands for fully covered money, while that coverage in their current proposal is not based on anything factual and therefore is not actually what they have understood it to be. This is mainly because they thus seem to have partly changed their substantive direction in 2015, but do not themselves yet fully understand what they are talking about at all. There is illogic in their proposal and concepts because one ( " our money" ) bases concepts and proposals on others' work and what one reads and hears but one oneself does not yet fully understand that...also the Full Reserve Banking concept does not fully fit with what one is proposing so far. But that Full Reserve Banking is what International Movement for Monetary Reform and also Our Money do fully adhere to and what Our Money still communicates today as being what they want.

The " our money" foundation reports that the actual transition can be accomplished in 1 night or 1 day. This is a striking way of presentation for me, because in my book from 2011 but also soon after and also in recent years I have mentioned several times (also on the Internet and places where people from " our money" could read it) that the transition can be arranged within 1 night

or day, can be a fact. Only fact is also that the changes that must take place in that night as far as my proposal is concerned, are not nearly as difficult and far-reaching as the changes that foundation "our money" proposes and also names. And that those changes of foundation "our money" that are extensively mentioned on their website (also now, late 2015) will be both unnecessary and highly damaging and disruptive for the Dutch but (thus) also for the world economy. Their proposals are also totally unworkable and in practice will certainly take more than a year to prepare and probably much longer to actually arrange, get it done. If at all, because I don't think it's at all possible to actually get the proposals of "our money" and what's involved and needed for it implemented in society. So while my transition can REALLY be done within 1 night, even including the preparation needed for it...although it does require a few good experts/experts and the necessary hardware and software. But then it can be done; both the preparation as well as the transition in just 1 night or day..without anything more being needed.

Foundation "our money" is affiliated with the International Movement for Monetary Reform. To which the organization "Positive Money UK" is also affiliated. And about 15 other organizations in Europe. Both just about all organizations affiliated with the International movement for Monetary reform as well as the foundation "our Money", "Positive Money UK" and the Occupy movement proposed at least until so June 2016 to move from fractional reserve banking to full reserve banking. Indeed, even now, in mid-2016, it still says on the website of International Movement for Monetary Reform that the foundation "our money" wants to move to Full Reserve Banking. So that is actually what the "Our Money" foundation is still communicating and wanting now. But in any case, they thus want banks to stop creating money, to stop creating money with debt or interest, and thus the current way of money creation by banks to disappear completely and to be replaced by a way that coincides with their proposals and in which banks are no longer allowed to create money, nor debt or interest.

My own proposal and solution, which is also the very best solution and also the best proposal, is much broader and better and different. And based on much better understanding. In addition, as can be found in other parts of this book, I have also explained WHY my monetary system is better. Why inflation will not be a problem in and with my new monetary system. And what monetary policy best

suits it. My proposal for my Excellent Monetary System and the policies that best fit it were already long ready and much earlier than the now incomplete and incomplete and impractical proposals of the "our money" foundation and/or other organizations affiliated with the International Movement For Monetary Reform.

It is kind of child's play to make proposals that the group "our money" and other groups affiliated with the International Movement for Monetary reform and the Occupy movement propose. All of those groups and movements assume in particular that the crisis at hand is particularly a debt crisis. And so it makes sense to propose the creation of debt-free money. Especially if one could have at least read this a year earlier or just before changing a proposal to that effect in 1 of the many pieces I have written myself in which I propose the same thing. However, the fact is that it is a whole step further and a whole level and degree of professionalization and understanding further to actually understand what is actually going on, HOW that money is then to be created at and by whom and what monetary policy is then not only possible but desirable. And exactly WHAT needs to change in our society and economy and banking system in order for the economy to actually develop in the most optimal way in the future. The latter, understanding and a truly optimal appropriate solution, is something that truly all groups affiliated with the International Movement for Monetary Reform (i.e. including the group "our money" ) and all individuals who have to deal with it or feel some sense of their essentially worthless proposals are still lacking up to this point (late 2015).

As I noted, really ALL of the organizations that were and are affiliated with the International Movement for Monetary Reform wanted, at least until the end of 2014, to move from fractional reserve banking to full reserve banking within the banking system. That means that instead of a fractional, partial reserve against the money in circulation, there should be a full reserve against the money in circulation. That reserve must then consist of something, something valuable and something tangible. At the moment, the Ons Geld foundation communicates that it wants the creation of money without debt and that it does not want banks to create any more money, but it no longer talks explicitly about full reserve banking. While it makes quite a difference whether or not there should be a reserve against the money in circulation, and whether or not that reserve should be full. The Our Money Foundation does not address this, however, because they thus completely lack the understanding of what is needed and why. Or perhaps they have described it somewhere but the website does not mention it.



And I am convinced that if there is a description of somewhere how one thinks about it, it will also be incomplete and not based on optimal understanding....and certainly not on the understanding I have had about it for a long time.

Everything shows that the proposals of monetary reformers other than myself, so also the proposals of all the groups affiliated with International Movement for Monetary Reform, are based on misunderstanding. That misunderstanding stems in part from an incomplete understanding and vision of what is actually going on, going on, within our economy. The banks and the way money is created so far in our economy and society is not even (so much) the problem, and certainly will not have to disappear completely or change completely as is proposed by the "our money" foundation, among others. The way in which loans are created and provided by banks in the current era to provide mortgages and what is or was labeled by, among others, "our money" as being "fractional reserve banking" (but in reality is not because fractional reserve banking is a theoretical term while the reality is slightly different) is seen by the group or foundation "our money" as harmful and undesirable. And as 1 of the biggest if not the only big cause of why things have gone wrong in the economy. And so "our money" proposes to get rid of it and replace it with another way of money creation that would be positive and thus could perhaps be called "positive money".

However, the fact is that the way mortgages were and still are provided by banks in the past was and is not even the main problem. Although there have been mortgages provided in the past that became problematic for individuals and also society as a whole, but that has less to do with the way mortgages are provided but more with external / environmental factors. In any case, I am talking about the following :

The financial situation of the individuals or groups to whom these mortgages were granted. As this financial situation worsened - in particular due to temporary or permanent reductions in income combined with increased expenses - some of the mortgage recipients were unable to meet their payment obligations for these mortgages. This had less to do with the way these mortgages were provided and more to do with developments in society after that time. And of course the increase in prices of houses also played and plays a very big role, but that has less to do with the fact that banks could and can provide mortgages but more because of an imbalance that arises between income and cost of living and so some individuals have more problems with that. Also

because of an incremental increase in healthcare costs and increases in other costs and expenses.

The huge chain effects these mortgage problems have had on our economy and society. As a result of the problems with mortgages in the United States around 2008, governments changed their monetary policy and organizations and individuals changed their actions. Both the changes in monetary policy of governments as well as the changes in actions of individuals and organizations then dramatically worsened the situation in our economy and society.

I know that I am going into great detail here, but the last thing I want is for any group to come up with its own proposal based on my understanding of what I have included in my texts, or to adapt their proposal to the improved understanding that they gain from reading my texts, and then pretend that it all came from them, and even to "coincidentally" come up with exactly the same proposals or partial proposals as me, whether or not in the same terms. I and only I deserve all praise and appreciation for my innovation for the money system, my monetary system and the proposed monetary policy that goes with it and also the explanation and understanding that goes with it. Both regarding the system and policy as well as what is wrong in the current misunderstanding regarding economics and monetary systems and policies. And why my new monetary system will not only work but is the very best and great solution for the economy and society of the hopefully near future.

Back to the proposal or proposals of foundation "our money". As they are now, but also as they were so between 2012 and 2014. The fact is that the foundation more or less "hitchhikes" on the proposals as they have been developed by the groups within International Movement for Monetary Reform, and especially the proposals and development thereof within and at the group "positive money UK" in England. Whether and to what extent they have also read work of mine and to what extent it has been used or not to modify their proposal in substance or not remains a question. The fact is that my proposal was ready back in 2011, and has remained more or less the same all along until now. My innovation for the money system and also the changes in monetary policy have remained the same. Only in terms of content I did develop it further in the meantime, in particular the decoupling of income and labor/work is important. In particular also if it is understood that the financial crisis of the present time and previous years was not so much caused by banks or debt, but that debt is not the cause but a

consequence of the actual underlying causes of the debt crisis....something I have understood for a long time but which the groups at International Movement for Monetary Reform ( and thus also the group " our money") even now, in 2015, still do not fully and even partially understand. They still assume even now that the financial crisis was essentially caused by too much debt and that the banks are the cause of that. The banks are, in their eyes, the biggest culprits and the monetary system will therefore, in their eyes, have to be transformed in such a way that the banks can no longer create the money as they do now, being with debt creation in return.

The alternative they propose, being to put money creation but also the allocation of money entirely in the hands of the state, is impractical. The state is not capable enough for that. The problems that have already arisen in recent years in connection with the personal budget prove that. It is a fact that " the state" or government cannot manage money and also the economy sufficiently and efficiently enough and that many individuals and organizations will suffer if this is attempted even more in the future.

In my proposal and transition, the state does play a role as well, but a very different one. In my proposal and case, it is an additional and rather temporary but important role and more action by the state to ensure that more money is put back into the economy. That money does NOT have to be backed by gold or anything else tangible. Not only does that make it a lot more complicated, but more importantly, such coverage with gold is completely unnecessary. Money, as I also point out in other parts of this book, has primarily and also only a relational role and function and value. Moreover, there can and will never be enough money in the economy if all money must be or be covered by gold. Probably that in essence has also been the cause or reason for the decoupling of money and gold as it is now a fact.

Thus, in addition to this decoupling of money with gold, I also advocate an increase in income of citizens, and especially an increase in lower incomes. This will certainly also require, in part, a decoupling of income and labor/work. And this decoupling will only be possible if and as soon as my innovation of the money system is implemented and if thereby the Excellent Monetary System as I have developed it (and only !!) becomes a reality.

This decoupling of income and labor I have already described in detail also in other work of mine, also HOW this decoupling of income and labor should be addressed. Paying or not partially paying for government expenditures with money created through my innovation for the money system-and the elimination or not of some or all taxes-also plays an important role in that. That aspect, paying for government spending with money created through and within the Excellent Monetary System, I also described or indicated in my book published as an e-book on kindle/amazon in 2011. It is a very important aspect of the EMS, especially also from the understanding that the financial crisis in particular is also an income crisis rather than a debt crisis. Although the debt crisis is a consequence of this income crisis. From the fact that incomes are more and more insufficient for necessary or unnecessary spending and the impact that has on the level of debt of both individuals and the government.

That disconnect, and in particular my Excellent Monetary System, is also necessary to make possible what John Maynard Keynes already predicted for the future in his text " economic possibilities for our grandchildren" . This text is interesting and relevant, and I dare myself to predict that his prediction of working less in the future and that this would be a fact around 2030 or so. Will also come true. However, this would require a realization of my Excellent Monetary System. Between 2030 and 2016 is now about 14 years, and I personally think this is achievable. To get my EMS through. In fact, I hope that the publication of my book, this book, will significantly accelerate that process. And that governments and politicians begin to understand that this-introduction and realization of my Excellent Monetary System-is the key to a much better future for everyone and a more excellent society. Especially because it can and will completely solve in 1 fell swoop many and probably all of the illogic now present in the current monetary system and resulting monetary policies.

My proposal and solution is thus based on a much broader understanding of what is at stake, and also therefore much better and easier to implement than the option and proposals of all groups affiliated with International Movement for Monetary Reform, thus also the proposal of " our money". To which is added that the current proposal of " our money" - that is, the 2015 proposal - is totally unworkable in practice and also harmful to the economy. It will lead to a complete disruption of our society with probably disastrous consequences for individuals, organizations and also governments. The "our money" foundation does not realize what it wants and proposes.

My proposal, on the other hand, is feasible and fully ready for implementation. It can also be done partly in steps, which is also best. In fact, I have already fully described the steps of introduction as well. However, it can also be approached in such a way that even those steps of introduction are only addressed in parts. This is not the best solution for the ultimate end result, but it does give the government more certainty and proof that my innovation for the money system and the actions I propose to make my Excellent Monetary System a reality will actually work and be very positive for individuals, organizations as well as the government. My EMS, once it is a reality, will be positive for truly all individuals and parties in this society. In many ways. All that is really needed now is for a government to have the guts and courage to implement my innovation for the money system and thereby make the EMS ( the Excellent Monetary System I created) a reality, our society as well.

Foundation our money. Wants the ability to create money to be taken away from the private banks. This is unnecessary and also completely destructive for society. Our Money Foundation thus advocates a complete replacement of the present money system and the present method of money creation, which will be much more drastic and damaging to the economy and society than this group and the individuals associated with it realize. I, on the other hand, do NOT advocate replacing the current money system and the current way of money creation, but rather complementing the current money system and the current way of money creation. That complement will ensure a transformation of the present money system into the Excellent Monetary System. In which banks can and will continue to do what they are doing now and what they are engaged in now. This will change in the future, especially because of the transition to the Excellent Monetary System, but these changes will be positive and not harmful to the economy or society.

It is, as I pointed out in the above. Very essential to understand that foundation our money bases their proposal on the assumption and misunderstanding that banks and the actions of banks and especially also the way money is created by banks. Is the underlying cause of the financial crisis and or debt crisis as it became official in the year 2008 and is still generally considered to be present in the present time. And that the foundation or group " our money" and the individuals behind this assume that this crisis is indeed a debt crisis and that debt

is the main problem. Which is therefore completely factually incorrect. Although it is also the most common explanation and way of thinking of almost everyone in society and society.

The real, underlying cause of the creation of the debt crisis. Is NOT the current method of creation of money from banks. Nor is it the creation of debt. What does play a part is that the current monetary system and policy does not fit today's society and changes in society, but the main problem is that there is now far too little money in the economy. In which it is important to realize what is meant by the economy in this regard. I mean, when I say that there is too little money in the economy, that there is too little money in the primary economy. The economy where people produce and work to generate income for businesses, organizations and individuals. While there is plenty and probably far too much money going around and present in the financial world and economy, the amount of money going around and/or present in the primary processes of our economy is far too little at the moment. This is because of the present monetary system and the monetary policy that is possible because of this, and especially also because of the great and much grander and better monetary policy that is still impossible because of this. This additional, grander monetary policy which is not only better but much needed for today's society will become possible if and when my innovation for the monetary system is added to the current monetary system and thus the transition to the Excellent Monetary System becomes a reality.

My proposal, the Excellent Monetary System, is so excellent precisely because it is

Based on a correct understanding on what is the real cause of the debt crisis, which is TO LITTLE money in the economy. While in this case by the economy is meant the primary economy, being the economy of goods and services and the economy from which workers and businesses get their income. I do NOT mean the financial sector and all the money that goes into that, so by income I mean income from labor and entrepreneurship/organizing. Work.

Takes into account, and matches, both developments in society and the real cause of the debt crisis. And how that cause of the crisis can best be resolved and monetary policy can or should best be tailored to developments in society. Which especially includes increasing efficiency and the possibility or necessity of working fewer hours per worker. This requires an increasing decoupling of income from workers and also organizations/firms from labor or activities. Or

better, a different definition of activities and thinking about the economy where also consuming is seen as activity and can be rewarded because it contributes to society and economy. So even people who do not work at all but consume should be able to get just enough income to keep consuming and living. The extreme case or the extreme situation therein would be that really every individual in our society does not work at all and really everything is performed by machines and robots while also really every individual earns enough or even more than enough to continue to meet all the necessary necessities or needs, and even more perhaps. This extreme situation LOOKS impossible, and is also completely impossible within the current monetary system. But this situation does become truly immediately possible and can become truly immediate reality if necessary, if and when the Excellent Monetary System is a reality.

Based on a correct understanding of economics and economic processes. Which includes a correct understanding of inflation. And understanding that inflation is completely misunderstood by mainstream economic science and virtually all or all economists and citizens. I am convinced that in some respect I have a much better understanding, real understanding, of what inflation really means and why and how it really takes place, or doesn't take place, in our society and economy. And how relevant or irrelevant that is within both the current monetary system as well as within the Excellent Monetary System I have created.

My Excellent Monetary System is a logical relational monetary system. It takes into account logical relational dependencies and linkages in the economy and society, and supports them in the most optimal way.

As stated now as recently as mid-2016 on the website of International Movement for Monetary Reform, Our Money Foundation wants the monetary system of the future to be based on Full Reserve Banking. Full reserve banking is based on the premise that money must be fully backed. Not the money itself but the amount of money in circulation must be fully backed, all the money that is lent out must be backed while in addition all the money owned by someone is also fully backed.

It is interesting now, to understand that this Full Reserve banking and also foundation our money is not talking about the money in circulation and the money still to be paid or spent. I am talking about credit (which is actually also debt) but also advances and loans in the private sphere. If all that money also had to be fully covered, one would transform the entire economy (i.e., not just the banking part being that part of the movement of money that goes through the banks), into

what I myself call and have called full reserve economy. That term full reserve economy is, as far as I know, not yet existing and therefore a creation of mine. At least in the respect and understanding as it is used and named here. However, full reserve economy is a concept that is necessary to come to a full understanding of the fact that both full reserve banking and full reserve economy are both theoretical concepts based on philosophy and much less on phronesis. And based on illogic rather than truly excellent practical logic. As such, both full reserve banking and full reserve economy are neither logical, workable nor desirable options for our society and economy and reality. In addition, it must also be understood whether full reserve banking is possible without a full reserve economy.

To understand all this, that full reserve banking as well as full reserve economy is not desirable. And that the concept of full reserve economy is also very relevant to understand it fully. Is it necessary to sufficiently understand functional and non-functional differentiation (as I mean those concepts) as well, and especially also to actually apply functional differentiation in a most excellent way. In addition to which the concepts of relevant and non-relevant differentiation, as I mean them, are also important.

Money should be fully covered as far as banking is concerned if indeed really everyone withdraws their money at some point. However, this is not the case in normal cases. There is a difference, in time, between the withdrawal of money and the necessary disbursement of money to customers. While in many cases the banks do not even need to disburse the money, as the vast majority of the money ends up back with the same banks anyway. As such, the current way of banking is a logical option. But, it is to more cases a logical option. And besides the fact that the current way of banking is more logical, or actually because of that, it is also a much better option for both individuals and organizations involved as well as society and the economy.

In the end, economics is about the concept and social relationship of awarding. Whereby in the most ideal and constructive and therefore also most excellent and logical situation of it, there is a transformation from financial contract to social contract and that in the most excellent and optimized situations the financial contract is not even necessary anymore, and the social contract remains and is even expanded. However, in many cases this social contract



needs to be supported by trust, and for that a certain social situation is needed. The most well-known situation of this and also most far-reaching situation or condition is the phase and emergence of love or friendship and, going even further, marriage. However, in present times we see that marriage is less common, trust also seems to occur less also due to less long and or close social contacts. In this respect, the superficiality of our social contacts and reality probably also has a negative influence on our economy and economic processes. All the more or actually (almost) only because of the fact that our current monetary system is not set up for and thus cannot deal with the consequences of more superficiality of social contacts and less firmness. The Excellent Monetary System can, and monetary policy and organization can also be fully adapted to any social situation in the Excellent Monetary System.

Regarding a really essential part of full reserve banking, namely the fact that really all money in full reserve banking should be fully backed, the foundation our money has been contradicting itself since about the beginning of 2015. This because since about that time, i.e. about 4 years after I published my book on kindle/amazon and also quite a while after I gave more specific explanations and arguments about the Excellent Monetary System in various texts and comments and in various forms of communication on also the internet, the foundation our money also began to communicate ( and still communicates) that money may therefore be created out of nothing. This creation of money out of nothing contradicts full reserve banking. Because full reserve banking assumes full coverage of money. So that money must be covered by something, according to the definition and theory of full reserve banking. When money is created out of nothing, that money is NOT covered, by NOTHING. In creation of money out of nothing, there is nothing at all that covers the money. At least, not a coverage as it is understood or required by or under the system of full reserve banking.

What I am trying to explain here in this chapter of my book, and in my opinion have also unambiguously demonstrated, is that the Excellent Monetary System and also the substantive features of this system, have been developed by me and only me. In addition, I also think it is sufficiently clear that the proposal to start creating money out of nothing, and certainly in the way I propose it as being my innovation for the money system as part of the Excellent Monetary System, for so early 2015 has really not been proposed by any group or individual except

myself. On which I do note that I obviously cannot be aware of everything either and that there is a small chance that there is nevertheless a group or individual who did propose this WELL before 2015. In that case, I hope to be informed about that, should anyone know those individuals or person or group or organization. So that I can also delve substantively into the differences between what they propose or proposed and my Excellent Monetary System. The fact is, however, that at least Stichting Ons Geld was thus founded only in 2012 and at least in that year they were nowhere near as far as I was in terms of a proposal for a new monetary system. Let alone the monetary policy that best fits it, and why. Furthermore, Stichting Ons Geld and the individuals involved had ample opportunity to read my writings after that time, and I think at least 1 person did. I'm not saying that this actually happened either, just that it could have

Our Money Foundation wants the creation of money to go entirely to the state and for banks to be allowed and able to allocate money on their own in the future. The current way of money creation by banks such as ABNAMRO, Rabobank, Postbank and the like. Will (have to) disappear completely. In its place, however, Ons Geld Foundation wants the banks to create money. With the difference that the banks will have to create money without debts. Whether or not that money must be backed by something physical, something tangible and something with value. Is the question....some sources Our Money uses claim that this does NOT have to be the case, but those sources are from after 2013 as far as I have been able to see. Or even after 2014. In addition, Our Money Foundation still claims to want to move toward Full Reserve Banking, and Full Reserve Banking does require money to be backed by something physical and valuable. Like Gold, for example.

A few years after 2011, or in other words a few years (!!!!!) after I had already proposed this and mentioned it to various individuals and groups, Stichting Ons Geld (Foundation Our Money) also proposes that the state/government should pay for part of the government's expenses with created money, and that this means that part of the taxes can then also be abolished. However, this proposal of theirs comes much later than the time when I proposed it, but it is also 1 of the 3 proposals of Stichting Ons Geld, which is thus not supported by a much broader understanding and more extensive explanation and story of a) what the real cause of the economic crisis is and b) how it can best be solved in a broader context. There is an explanation as to both a) and b) by individuals connected to Our Money and the Our Money group, but that explanation is a) not very

comprehensive and b) based on insufficient understanding or only fractional understanding of what is going on and what is needed to actually solve it.

I have already indicated that both at [www.academia.edu](http://www.academia.edu) as well as through a paper I wrote for JPE (Journal of Political Economy) a few years back, I have already explained my new monetary system in detail. However, there have been many more communications about it by me. Which in itself is good, of course. But it does give other parties and individuals the opportunity to adjust their amateurish or otherwise proposals and understandings based on concepts that I have and continue to communicate. Coincidentally, I also recently saw a posting of myself on facebook, from November 23, 2010 (over 5 years back by now!) in which I already indicate that government can a) create money to pay for expenditures and b) taxes can be abolished whether completely or not. My book on kindle/amazon (published there in 2011!) contains even more possibilities of my innovation for the money system and the Excellent Monetary System created by myself.

What is very important to understand in this regard is that my innovation for the money system and the Excellent Monetary System is NOT about replacing the current money system for a completely different money system (as in the theoretical and to me amateurish proposal of foundation our money) but about an addition to the current money system in which current loans and money quantities as well as debts at least at the moment of adding the innovation to the current money system. Continue to exist. However, through the addition of my innovation of/for the money system. Creates the Excellent Monetary System. To which it must be noted, however, that a complete transformation of the current monetary system into the Excellent Monetary System also requires above all other, better monetary policy. And this monetary policy is particularly also about the HOW, where the changes in monetary policy must be such as I have already described in detail in much of my work/writings. My innovation for the money system is important for this, but in particular also the decoupling of income from labor and also lengthening or whether or not to completely abolish all or part of taxes. Forms an essential part of that as well.

The main purpose of this entire chapter is to explain and explain the differences between Our Money Foundation's proposal versus my Excellent Monetary System as much and as well as possible. In essence, however, I have already

published my book on my innovation for the monetary system together with monetary policy options back in 2011. Around that date but also already before and of course after, I also published it in other places on the Internet and sent to various people parts of my understanding through written texts and additional information. So the fact is that my EMS was ready long before Stichting Ons Geld even began their search for possibilities for a different money system but also communicated to other parties. The Ons Geld Foundation developed its ideas, understanding and proposal much later and gradually adapted and changed it to the proposal that is now on the table. at the end of 2015. The proposal they have now is based on proposals from others and a hotchpotch of ideas and proposals that is not based on sufficient understanding. In fact, there is also much in their proposal that makes it a) risky to implement and b) leads to illogic in their proposal. The original proposal and solution created by me (being the Excellent Monetary System) was already at that time (before 2011 so a few years earlier than Our Money's proposal) much further and better than what Our Money has now in 2015.

Essential to understand in this is the fact that my innovation for the money system is really all that is needed to get the economy going again and, in addition, to create a (virtually) unlimited source of finance to pay off/resolve debts, raise incomes, decouple income from labor, abolish taxes completely or not at all, pay state expenditures without taxes, raise benefits to a sufficient level or even (far) above that.

Additions to this innovation for the money system or, even further, a replacement of the current ways of money creation and way of banking (banking) is therefore completely unnecessary but, moreover, not useful. In addition, such additions lead to unnecessary risks and complexity. Leveraging my innovation for the money system for the monetary policy goals I identify in this book and also already in the 2011 book of my own is all that is needed in terms of addition to the current monetary system. To achieve the transformation to the EMS and thereby create a much better society and eliminate to a large extent the illogical and harmful aspects of our economy and organizing. My EMS is a freedom money system but moreover also the most sustainable and great monetary system that will ever be realized.



## 28. The EMS proposal versus our money proposal

N.D. van Egmond, affiliated with Herman Wijffels' Sustainable Finance Lab, published a "working paper" in March 2015 together with B.J.M. de Vries titled "dynamics of a sustainable Financial-economic system" (N D van Egmond and B J M de Vries, " Dynamics of a sustainable financial-economic system", Utrecht University, 2015). In it he also mentions the " Ons Geld" foundation and the " positive money UK initiative" and mentions that both want to move towards a FRB banking system. That both organizations want to see the Chicago Plan of 1936 implemented. He also states in his publication that his proposed system is based on 2 elements : Full Reserve banking (FRB) and DFM (debt free money).

What emerges from this publication by Mr. van Egmond (who is affiliated with the " our money" initiative, among others) and also from publications by the " our money" foundation itself (both on the website as well as the publications they refer to) is the function or creation of debt free money (DFMFRB) as they want it. A very different way of DFM as I think it is desired and what will also be the better way of DFM. DFM can of course be created in different ways and at different times and used for different purposes. DFMFRB in the context of Full Reserve Banking (FRB) is a very different way of DFM than DFMEMS in the context of my Excellent Monetary System (EMS). In which the whole idea of the Chicago Plan and also the proposals of Our Money and all the people behind it (like also Klaas van Egmond) is not only far too theoretical but also practically entirely undesirable to ever be implemented. If this is ever to be introduced into society, the whole economy will become a big mess and also completely destroyed. This is because the proposals of Our Money and Klaas van Egmond do not take into account relational dependencies and logic that should be present in the monetary system. These relational dependencies and logic are fully supported by my Excellent Monetary System, which is therefore both a fully practical and immediately implementable solution to the debt crisis.

Because of these differences in DFMFRB in the context of Full Reserve Banking (the Chicago plan- proposal of " our money" and persons like Klaas van Egmond) versus DFMEMS which arises within the EMS. Do I give the DFMFRB under Full

Reserve Banking the abbreviation DFM-FRB or DFMFRB and those under my EMS the abbreviation DFM-EMS or DFMEMS

While Our Money Foundation, all other organizations affiliated with the International Movement For Monetary Reform (such as also " Positive Money UK" , occupy/David Graeber and individuals affiliated with these organizations are all proposing versions of the Chicago Plan and Full Reserve Banking. And thereby wanting to move completely from Fractional Reserve Banking to Full Reserve Banking. And thereby proposing and even wanting to see introduced into our society a certain combination of Full Reserve Banking (FRB) and a seemingly matching, restrictive and rigid version of Debt Free Money-FRB (DFMFRB). Does the most excellent monetary reform to be introduced, namely the one that has been ready and created by myself for years, consist of a combination of what Mr. van Egmond in his publication calls Money As Debt (MaD) , but is in fact analogous to Fractional Reserve Banking (FRB-EMS) combined with Debt Free Money-EMS (DFMEMS).

So it is that broadly speaking there are 2 proposals if mine are compared with those of all the groups mentioned, viz.

Full reserve banking with a restrictive, rigid version of Debt Free Money being DFMFRB. This is what DFB in the common definition and understanding of it, really is.

Fractional reserve banking with an addition to that being an extremely flexible and awesome way of Debt Free Money. Which I prefer not to name myself, but instead that DFM version is my innovation for the money system leading to the creation of the Excellent Monetary System (EMS). Including in it a certain form of DFM-EMS or DFMEMS

Positive Money UK, Our Money Foundation, Occupy/David Graeber and all the individuals and groups affiliated with them are proposing Option 1. An option that is both far too theoretical and amateurish, as well as not at all desirable or suitable for practical implementation.

My proposal, introduction of the EMS by implementing my innovation for the monetary system and thereby transforming the current monetary system into the Excellent Monetary System (EMS) I created is WELL practical, professional and also immediately implementable in society. The sooner that actually happens, the better it is for economy and society.

However, what is really HIGHLY important to realize is that here in this text I am also using the term Debt Free Money in the context of EMS and my innovation for the money system. But that that is actually incorrect and not applicable within EMS. This is because while being debt free money is an aspect of money created within the Excellent Monetary System, and is also an important aspect of that money, there are much more relevant aspects of my innovation for the money system that are NOT reflected in the concept of Debt Free Money. Specifically, I am talking about HOW the money is created within EMS via my innovation for the money system but also by WHO or what organizations that may be done, what legal and organizational support and structures are needed for that, and WHAT is then also thereby possible within the Excellent Monetary System (EMS). DFM is thereby and therefore a far too limited concept for anything within the EMS. But for a comparison of my EMS with FRB, it is useful to use it here and in the table below so. However, when I use DFMEMS in this text or anywhere else, I mean something that is FAR broader and also has many more aspects than just being debt free of that money. So in that respect, what can be done with it, DFMEMS is much broader and more comprehensive than the original definition and content of the term DFM as it is used in full reserve banking.

What really needs to be clearly understood also here however, is that Debt Free Money (DFM) is really until now a terminology that was and is only used for something that (by definition) belongs to the theoretical proposal of Full Reserve Banking. Where by DFM is meant that Full Reserve Banking (by definition) goes along with DFM because within the Full Reserve Banking System really all money should be created DFM, but is also DF(M) when allocated. That is, the money is created at some point when FRB is already a fact, and then this money is also always allocated debt-free. Indeed, within FRB there is never any debt creation because all the money in "the system" is and remains debt-free. So in that respect, being debt-free, money within the Full Reserve Banking system is much broader and more extensively debt-free than it will ever be or desired to be within the EMS.



And in that respect, therefore, within the EMS system something does come into being that can also be called debt-free money in that respect. However, this definition and capacity of debt-free money that will come into existence in the reality of the EMS is a completely different form and content of debt-free money than that which has so far been referred to generally and in our society as being debt-free money. Indeed, within our current society and also economy and also by any other person or group within this society other than myself, debt-free money has been and is only used and presented in 2 different ways, viz.

The proposal of debt-free money being a concept where only the concept or the word is used, but not in conjunction with any monetary system. In that respect it is therefore virtually meaningless, the only thing this concept then contains is indeed debt-free money. But there is no mention of which money is then debt-free, whether that is upon creation or allocation and creation or allocation by whom or for whom. There is then no relational linkage and the characteristics of debt-free money are not or narrowly if at all extensively really named. In that case, it is usually assumed by economists that this debt free money is integral to a Full Reserve Banking situation or theory

Debt free money as an integral part of Full Reserve Banking.

So in today's society the term DFM is not yet used in conjunction with my EMS, which is also not possible because no one understands thus my EMS not yet fully enough and certainly not that this is a form of Debt Free Money because it is my creation and proposal. Debt free money as an integral part of Full Reserve Banking (which is actually and so far the only relational version of Debt Free Money mentioned by individuals and groups) is thus the situation where truly ALL money in society would be debt free. A situation that will never actually occur in society and should never occur in society because it is a highly undesirable situation.

Debt-free money within the EMS on the contrary, is only debt-free at the moment it is created by a party other than private banks such as ABN Amro and Rabobank, and for a different purpose and monetary policy than the non-debt-free money currently created within the current monetary system when money and debt are created by private banks. Debt created in both the creation or

allocation of money by banks to individuals and organizations, but also in the creation and or allocation of money to the government by private banks.

Within the EMS, that creation and allocation of money to the government by private banks falls away, or is greatly reduced. In its place is debt-free creation and allocation of money by the government. The allocation can take place to various parties. However, this debt-free creation and allocation of money by the OH to other parties for various monetary policy purposes (the entirely new form of creation of money by OH that arises within the EMS and is and should be applicable) is, however, in addition to non-debt-free money created and allocated by private banks to individuals and organizations, and possibly also to the government. Certainly in the beginning, within the EMS, money will also continue to be created and allocated by private banks and lent (thus also non-debt free) to governments. That will continue to exist and probably will always exist to some extent within the EMS. So in that respect and also in fact, debt-free money within the EMS will never arise as extensively within the EMS monetary system and the EMS economy as it is proposed within Full Reserve banking. So also, within the EMS, both debt-free money and non-debt-free money will be a reality and will actually continue to exist.

So an essential part of the definition and understanding of DFM on the one hand and debt-free money within EMS on the other, is the fact that DFM within Full Reserve banking is an essential part and also the really only form of money that is a fact within Full Reserve Banking. Non-debt free money does not exist within Full Reserve Banking nor is it a part of it. In both creation and allocation of money, money must be debt-free within Full Reserve Banking. Whereas debt-free money within the EMS, the term debt-free, there indicates that money at creation and allocation can be debt-free in some respect, but need not be. If it is debt-free within the EMS, then it is the result of and part of my innovation for the money system and thereby part of the EMS monetary system and policy. If money within the EMS is not debt-free, which is not only a possibility but a desirability, then it is money created and allocated by private banks. Whether or not for the purposes as it is also created and or allocated within the current monetary system by private banks to and for individuals and organizations but thus also to and for governments.

However, since it is not DFM according to the current definition and understanding of DFM in society (being DFM in the context of FRB), I still doubt in that regard whether debt-free money within EMS should be so called. To indicate the difference here between DFM on the one hand and debt-free money within EMS on the other, it is useful. And so debt-free money does arise within EMS. However, so for better understanding and avoiding misunderstandings, it might be better to label debt-free money within EMS differently anyway. But that is also the situation at the moment. Since both DFM (in the context of FRB) and FRB are completely useless in practice and have no practical value, DFM will actually have to disappear altogether. In its place, both in the context of EMS as well as when my EMS monetary system has become a fact, the term debt-free money will have to and will be allowed to be used but will be a completely different terminology and capacity than what is currently meant by DFM.

The table below shows the differences between my EMS proposal and Our Money's proposal :

## **My innovation for the money system**

A computer and put the same software on it that banks also use, with the difference that on that software an additional account can also be created and on that account numbers can also just be typed either the number there is in money just raised to unlimited height(s)

Linking that computer with the banking systems/banks of other banks and thus making it part of the international banking system IT technically/mathematically

Through 2), that computer has become a bank. And the following steps can be performed

On that computer referred to at 1). Create a bank account. Fill that bank account - now referred to as being an EMS bank account - with money by entering a number with the desired number of zeros. Or increasing it by the desired/needed number of zeros or just a lot more...more does not get in the way and, as long as it is not transferred to other accounts, does not affect the economy at all.

Use the numbers (money supply) in the bank account referred to at 4) to pay for desired expenses.

All this (1 to 5) should initially be carried out only by the government, possibly or more likely through the banks, but if enough legislation is present and if it is useful for the economy it will also be advisable and useful if even individuals and organizations/companies are allowed to have their own relevant EMS account, unlimited or otherwise, under conditions and restrictions.

A so-called bank run also does not have to be a problem at all anymore within the EMS, if all those who withdraw money just get that money digitally on a certain device in due time. And can deposit it again at any time to another bank. Or if the balance is transferred digitally right away to another bank. If the bank that has to do that has too little digital money for that, this can be supplemented via my innovation for the money system. Under certain conditions, of course, but that can be arranged both legally and organizationally. With or without an agreement for future repayment of funds by the bank in question, if the possibility exists.

## 29. EMS monetary policy

The EMS allows for a strong improvement in monetary policy. What is important here is the nature of monetary policy and the purposes for which monetary policy is used and developed.

In the following sections, I will provide an initial proposal of strategy of EMS implementation and a roadmap for implementation. In doing so, it is important to understand the nature and underlying goals.

Of course, 1 of the goals is a more sustainable society. Another goal is an economy that runs better. But, what is better at that? In any case, consumption will have to become an important aspect of the EMS society and economy. This will require looking differently at what our society still needs in terms of goods and services, as well as how they are produced and distributed. Science and intellectuals and academics can make an important contribution to this.

In the EMS policy, especially in the beginning, much attention will have to be given to the lower income groups. I am talking about welfare recipients, pensioners and other benefit recipients as far as the situation in the Netherlands is concerned. But also about workers who belong to the lower income groups. All these individuals and groups need more support and assistance to a greater or lesser extent than is currently the case. Where the social support may be less necessary or desirable for some, but the financial support is obviously highly desirable to a greater or lesser extent. In addition to the focus on lower income groups, once the understanding is there that the EMS method is incredibly positive and how it should be deployed, much focus and attention will also have to go to the environment and nature. Not only nationally, but also internationally. Obviously.

As far as health and safety is concerned, much can and will be improved, especially within and between organizations. Products and work processes must

become safer where necessary and less harmful to the environment and to health. Here, too, the importance of science is great. This is another reason why in a relatively later phase of introduction and realization of the EMS the support of science is also so important. And its importance in and in support and realization of a more excellent society will only increase.

Both in the strategy of introducing the EMS and the roadmap of implementation, a good understanding of both EMS and the state and possibilities of society at that time will be of great importance. There are steps and desired developments in society that EMS can already support (the EMS monetary system is extremely flexible and can financially support all possible and desired developments in society, future or otherwise!) but which our society is not yet ready for. Through targeted support of intellectuals and academics where appropriate, these desired developments may also be supported and possibly accelerated.

The first steps of introducing the EMS that I have proposed are particularly aimed at increasing disposable income, especially of the lower income groups, in addition to actually resolving (state) debt. These are steps that can be, and probably should be, carried out in quite large scale especially in the beginning in order to restore balance in society and society. Ultimately, that is the core of the EMS and recovery of the economy; restoring balance in the economy. That balance is now completely gone because for the current developments in society and the size and number of entities (products, processes, services, individuals, organizations, companies, governments) in our society, there is really far too little money really present in our society. I am talking about debt-free money.

After the balance has been sufficiently restored in society - by applying my innovation for the money system in various ways but especially the ways and order proposed by me - the EMS innovation I created can be applied to better support and shape current and future developments in society. This includes, in particular, developments in the labor market and in companies and organizations. These developments call for a further decoupling of income and labor. And more certainty of a constant and in any case sufficient income for all inhabitants of a country, both those in work and those not in work. That security cannot be guaranteed and realized with the current monetary system; for this, too, a transition to the Excellent Monetary System is desperately needed.

Especially for the step of using my EMS innovation for decoupling labor and income, however, the way is of utmost importance. If the innovation is used in the wrong way or too extensively or for the wrong populations, it can and will in various ways disrupt and destroy the entire economy as well. However, if it is used in the right way, which with proper understanding is very possible and very possible and effective, then it leads to a very bright future for everyone. A future where working less at the same or higher income becomes possible for everyone. But where people cannot and will not choose not to work at all because their income is guaranteed at all times anyway. And that brings me right to what is really critical and will probably remain, at least for now, when applying my innovation for the money system to further decouple labor and income. Namely, that this should not and cannot lead to an unconditional guarantee of wages even if people are not willing to work

Income can and will only be guaranteed to people through my EMS innovation if those receiving the income still have to work where necessary and desirable, as long as they are able to do so. However, once the EMS is in place, this option (decoupling income and labor by means of the EMS innovation) will make it possible to choose in a much more targeted way which people will possibly have to work and which will not be excluded from it but, to a certain extent, will be allowed to choose for themselves whether they want to and are able to work or not.

I'm talking about excluding the elderly in certain occupational groups from work, and doing unconditionally give adequate income to individuals who for whatever reason really can no longer work or that for whatever reason it is desirable that these individuals no longer work. And where individuals do still work, in the future also the unemployed can simply be employed for work and can- if enough people or in the future also (only) robots are available for certain activities- the number of working hours per week for certain activities or professions for each individual be reduced on average. Whereby those individuals may still have the choice to work more hours than this minimum required to have a decent income. And thereby (continue to) earn some extra. One can thus choose extra security for the future.

An additional advantage of the EMS is that within the Excellent Monetary System also (much) more money and thus budget can be created for science and intellectual work. I so imagine that it should also become possible for individuals to start their own projects and have the opportunity to apply for budget for this project individually or with a group. That these projects are then evaluated by a certain authority, and if they are approved that one is then also allocated the finances unconditionally and debt-free to (try to) realize these projects.

And although in initial phases of the EMS the innovation for the money system can and may really only be carried out and used by the national government, I myself am therefore in favor of the innovation for the money system in a later and more mature state of the EMS also being allowed to be carried out and used directly by lower governments, companies, organizations and individuals. This under certain conditions, of course.

Last but not least. Can innovation for the money system obviously also lead to too much money in the economy. If that seems likely to become the case, we need to look at what that money is being used for. Whether something can be arranged relationally through laws or agreements to negate any adverse impact of that more money in the economy. I do want to state explicitly here that the situation from 2008 to 2016 is (or was?) precisely such that there is and was really FAR too little money in the economy. As such, especially at the beginning of implementation of the EMS, there is really a lot of room and also a need to really apply the innovation for the money system very extensively and to a large and extensive extent. At a later stage, much of that money will also start flowing through the economy which may also reduce the need to apply the EMS innovation. In that case, it may be that not so much for obtaining income for governments but more for the redistribution of income/property, certain taxation does prove necessary (again). In any case, the need for a proper decoupling of income and labor will only increase in the future, especially if certain work will only or increasingly be performed by robots and automation. That will probably lead to less and less need for certain labor. Although I myself think that they too can be used for other activities, but that too will take much better shape and can and will be supported in a much better way with the EMS monetary system I created. A system which will immediately be a fact by and upon application of my innovation for the monetary system, being the EMS innovation. Which in this book I have also called the EMS method.



In the following sections I already mention something about the strategy and steps of implementation of and for the EMS system. It should of course be noted that the content of monetary policy steps are highly dependent on (developments in) society. Therefore, the next 2 chapters serve only as guidance. However, I do indicate in these chapters what in my opinion should be the first steps of and for implementation of the EMS system, why this is the case and also how they should be implemented in what I believe to be the best way.

### **30. The strategy and implementation of the Excellent Monetary System.**

In this book, I have pretty much described the Excellent Monetary System. In which I have explained what is going on in our current economy and society and hopefully also made it sufficiently clear that the current monetary system and policies-our money system and the way we deal with it-can both be described as quite prehistoric and also for this reason has not changed significantly in its essences in recent times. Which is also one of the reasons why the current monetary system does not fit today's economy and society. And certainly not with an economy and society that is or can become possible with the current and future knowledge in the field of organization and change management. Whereby my contributions regarding EMS but also my insights in the field of sensemaking and more specifically also my practicisim and holopluristic methodology and perspectives will play a crucial role in an accelerated and more excellent improvement of our society. Driven by and leading to a transformation to a more relational and sustainable society and forms of organization. In which money and monetary system and policies will again become much more supportive and will also become much more enabling for individuals and organizations in our society.

With EMS, we are facing an incredibly beautiful turning point and an amazing challenge and fountain of opportunity. Which is too beautiful to fully comprehend at this time. If the EMS and its possibilities are utilized and realized as fully as possible, and especially also supported and embraced by governments worldwide, then we will all face a tremendously beautiful and challenging and stimulating future. In which many ideals of people like Karl Marx, for example, but also those of John Maynard Keynes, for example, will actually become reality. In a different and greatly improved version of what these visionaries of the past envisioned at the time.

As far as John Maynard Keynes is concerned, I am referring in particular to the possibilities expressed in his 1930 text entitled " economic possibilities for our grandchildren " . Based on my understanding that possibilities with regard to monetary systems are economic but in my case also strongly dependent on my expertise and insights in the field of change management, I wrote a variation on

that in 2013 with the text " change (management) solutions for us and our (grand) children " . However, I have not included that text in this book, at least for now.

John Maynard Keynes thought that in the future it would no longer be necessary to work as long as in his time. That within about 100 years after the text was written (i.e. around or before 2030) everyone who wishes to do so could work less than or around 15 hours a week. This because of ever-growing increases in productivity and rising wages.

A further decoupling of work and income, possibly through and after the implementation of my EMS, will indeed make it possible to work less in the future and I think around 2030. And perhaps around 15 hours of work per week will be possible for most people. However, the question, of course, is whether this is desirable. Ideally, everyone should be able and allowed to choose whether they will indeed work 15 hours or longer and more. While still ensuring that everyone can continue to meet their needs, that there remains sufficient labor capacity for companies and organizations.

However, the decoupling of work and income that becomes a reality within the EMS must be accompanied by adequate income and security for all. In the current era, more and more jobs are being eliminated because of efficiency but also because certain jobs are subsidized by the government. As a result, many lower-skilled workers in particular are losing their jobs because they are being put out of business by government-subsidized workers. This is not desirable, and the introduction of EMS will provide a better solution to this as well. But even under the current system, the jobs that are now subsidized should not be subsidized or should be subsidized to a (much) lesser extent or in a different way. And in addition, minimum wages should be raised for certain types of work and workers.

Already in my 2011 book, I outlined what is possible with and within EMS, such as. Such as

Reduction or complete elimination of some or all taxes

Paying for government expenditures with money created out of thin air with no debt. Thus, that government spending does not have to be paid with taxpayer money.

Increasing revenues of employees and or businesses and other organizations

Resolving debts.

These issues, of course, need not be addressed and resolved all at once. There are many variations possible as to the extent to which these issues are modified and realized through and within the EMS. There are also many variations as to how. And, of course, it matters quite a bit how all this is done. Too much action can also be detrimental, just as a wrong or not optimal way of doing things will have disadvantages or not be as beneficial as other ways of doing things. Because I myself have a really good understanding of the consequences of certain actions, as well as relational insight, I hope that in the future (after realization of the EMS) I will be involved in every step of introduction of these additional capabilities of the EMS by governments. And that then, unlike today (2016), my opinion and understanding will indeed be listened to and acted upon.

As far as implementation is concerned, it is important to realize that while the EMS itself is very easy to implement, the various possible actions in society must be adequately supported to avoid any problems. Such support may even include that certain new legislation is first desired. These might include legislation allowing the government or governments to set maximum or minimum prices for certain products or even products of a certain firm. Or the same perhaps for wages as well. I think the development whereby a standardization of incomes is established, such as the law norming top incomes that has recently come into force in the Netherlands, is in itself a good development. That governments at least have the possibility to control this if desired.

Together with this law standardizing top incomes, however, it must also be ensured in particular that lower incomes have more income left over or less expenses. I myself think that as far as the strategy of introducing the EMS is concerned, the choice should be made, especially in the beginning, to use options 2) and 4), i.e. via government spending, paying the cost-sharing of employees and residents and paying off debts, to ensure that, in addition to the

lower costs for residents and reduction of the national debt, a possible reduction of certain taxes can perhaps already be partially implemented. As far as residents are concerned, reducing costs and taxes is especially important, while this can be partially implemented more responsibly if state debts are indeed reduced.

Therefore, I advocate on the government side the reduction of public debts and payment of public expenses through my innovation for the money system that leads to realization of the EMS and which is the most essential part of the EMS. But, what is even more important and should really be implemented and/or realized first, is lowering costs and possibly taxes for residents and workers.

When reducing costs for residents, the first thing to think about is reducing costs for health insurance and possibly also car insurance and/or (road) tax. All or part of those reductions or complete disappearance of costs for residents (via the EMS all insurances and taxes can eventually be paid by means of my innovation for the money system!) will have an extremely positive result on the free disposable income of residents. In addition, if workers' pensions are also paid and secured through the EMS method, this will have a positive impact on both residents' securities and workers' disposable income. But also, employee wages can be increased in this way, at least by the difference between current minimum wage and the amount employers now pay for employees' pensions.

What needs to be realized when introducing the EMS is that the EMS is created by an addition to the current monetary system, but that addition is therefore going to serve to increase either the costs or the revenues of residents of a country, of organizations and businesses or of government or governments. That there are very many ways to introduce and shape this policy-wise. And that especially in the beginning, in an initial implementation of EMS, it may be wiser but at least safer and more realistic and easier to implement EMS initially on a relatively limited scale. I mention relatively limited here because it may well be many millions right away. That seems like a lot of money but is quite limited when looking at overall public policy.

So my own proposal, given the above, is to first start paying 1 particular insurance or tax for residents at least once through my innovation for the money system (the EMS method). As far as insurance is concerned, as far as I am concerned, health insurance is best suited for this. That the total premiums for health insurance for all inhabitants of the Netherlands just be paid in full for 1 year through the EMS method, and then see what the consequences are for the Dutch and world economy. I myself understand that the consequences will only be incredibly positive but unfortunately there are still too many individuals and parties who will first have to see and experience this with their own eyes.

## **31. The implementation plan for the Excellent Monetary System.**

In the previous chapter, I began by already partly explaining and describing the strategy for EMS implementation. From the strategy and especially also (the awareness and understanding of) strategic choices in monetary policy follows an implementation plan for the EMS. Since this implementation plan is of course strongly related to (strategic) choices that are made in terms of monetary policy and implementation of the EMS, I will not be able to provide here very concretely 1 implementation plan for implementation of the EMS. However, what I do want to do is give a proposal of implementation.

I mentioned in the section on strategy of EMS implementation that I think EMS should just be implemented on a relatively limited scale in the beginning. However, I do want and desire that EMS be implemented really quickly. If and as soon as at least 1 cost is paid by means of my innovation for the money system, then the EMS is immediately a reality. The one-time payment of health insurance premiums for all inhabitants of the Netherlands by means of the EMS, and then for a whole year, is the first step as far as I am concerned. And I myself would prefer this to happen as early as 2017. My book, this book, will be published in 2016. And hopefully everyone who knows about this book will advertise this book a lot and it will be read and also understood by very many already in 2016. So that perhaps and hopefully indeed soon the government will actually implement a relatively limited and risk-free implementation of EMS as I describe here. The results then achieved will then encourage the government to start taking more policy steps to further and also introduce EMS on a larger scale in our society. Whether or not supported by desirable, positive legislation and regulations.

Immediately with the first step, or at least relatively soon after realization of the first step (payment of health insurance premiums by means of my EMS innovation), I myself would like to see the government or possibly several governments also repay part (and preferably a considerable part) of their public debt by means of the EMS method. This would then immediately create more room to enable a third aspect of EMS monetary policy, namely the reduction or elimination of tax(s) and/or excise taxes, as well.

As far as implementation plan for the EMS is concerned, many choices will thus have to be made in terms of monetary policy choices (which costs or expenses will be paid first via the EMS method) but also in terms of sequencing and possible simultaneity or non-simultaneity and, of course, size of steps taken.

Since I myself understand that many steps will be advantageous and better all should and could be carried out at the same time and in a very large scale, I personally like to see that really much is realized at the same time. However, there are obviously also steps that just really should not be implemented at the beginning or even better not implemented at all. It requires a good understanding of the economy but also of our society to grasp that and to understand which steps are positive and good and should also be implemented on a very large scale (and preferably as soon as possible). This is also why I myself wish to be extensively involved and consulted in the decision of monetary EMS policy steps.

In particular, the decoupling of labor and income is not easy. This step of implementation really needs to take place at a later stage than some of the other aspects and policy steps of the EMS. While even those other aspects and policy steps will (should) continue to play an important and positive role in the later stages of the EMS.

Ultimately, all EMS policy steps are interrelated and each is an essential part of a truly Excellent EMS implementation and reality. However, it is important thus that certain actions are implemented earlier than others. And it also matters very much to which parties in society those steps are implemented. And how.

However, it is important that eventually a full-fledged implementation of the EMS takes place. That full-fledged implementation also means constantly looking at newer, better application possibilities. This especially in later phases of the EMS, because in the beginning the steps will be quite basic and mainly serve to solve the economic crisis and problems we are facing as well. But in the future, the EMS will also be needed to support certain developments in society and the economy in the most optimal way. The current monetary system cannot do that



yet, so a transition to the Excellent Monetary System developed by me (Wilfred Berendsen) is really needed for that as well.

But anyway, in terms of the steps that should and can be taken within EMS, so at least the following order is recommended:

Paying the full annual expenses of employee health insurance premiums

Paying part or all of employees' pension contributions.

These 1) and 2) can possibly also be carried out simultaneously or in combinations for possibly also more specific parties. In which, of course, the lower income groups in particular should be helped first. And both 1) and 2) can possibly be carried out once but the goal, I think, is to make these two steps more continuous for really several years or even decades.

3) Paying off some or all of the government's debts. These government debts are still a major problem today and will really have to be solved. Debt forgiveness or a so-called "debt jubilee" as described and proposed by David Graeber, among others, is not a really good option and solution. Because with a debt jubilee, therefore, debts are not paid off neatly. When applying my innovation for the money system - the EMS method - this does happen. As a result, more money will eventually flow into society.

4) Decoupling labor from income. Or, more specifically, supplementing workers' income in a more direct way than that reported in 1) and 2). This could include the additional payment of wages per hour or per week or per month by the government on top of the workers' regular wages.

5) Increasing the minimum wages of workers. This can be implemented if the companies and organizations in question again earn enough margin to accomplish this. But also, any needed supplementing of companies' earnings through the EMS method can and will certainly contribute to this as well

6) Increasing the revenue of companies and other organizations through the EMS method.

At a relatively early stage of the EMS this can and will have to be carried out directly by the government, while at a later stage it can also be considered that both 5) and 6) may be carried out directly by individuals or companies themselves. This, of course, under certain conditions. And as far as the implementation of the EMS method by individuals is concerned, this cannot and may not be for themselves, but for other individuals and organizations. One can think of a professional who, possibly through the EMS method, pays for goods or services for a person in need or provides additional budget where necessary.

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# Colophon

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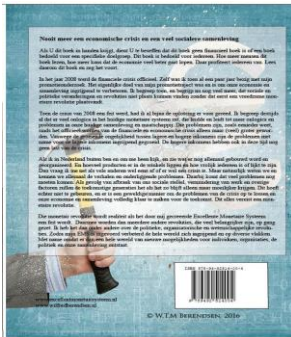
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